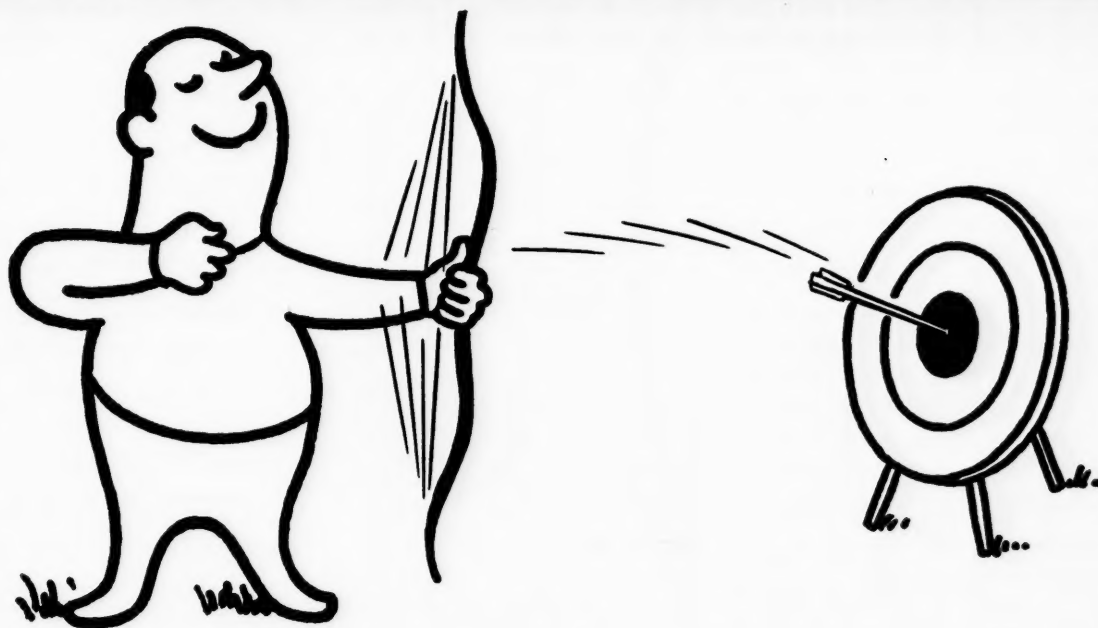


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FRIDAY, JUNE 14, 1957

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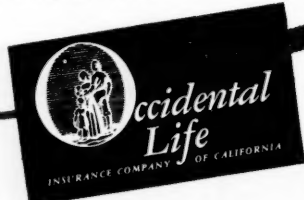
Many an umbrella of protection that once adequately covered a man's family is now leaking through holes punched in it by the rising cost of living.

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Jurisdiction of FTC Denied by Court in Nat'l Casualty Case

Cincinnati Ruling Follows Pattern of April Decision for American H. & L.

The U. S. court of appeals at Cincinnati last week ruled that the Federal Trade Commission is without jurisdiction to regulate the insurance business of National Casualty of Detroit in those states where the business is regulated by state law, thus knocking down once again FTC's claims to regulatory rights over A&S advertising.

The National Casualty decision in Cincinnati follows closely behind the April decision of the U. S. court of appeals at New Orleans where, likewise, it was ruled that FTC was without jurisdiction to regulate A&S advertising in the case of American Hospital & Life.

"We agree with the ruling of the court of appeals in that (New Orleans) case," said Judge Miller, Louisville, in his written opinion for the U. S. appellate court, sixth circuit, at Cincinnati. Other members of the court judiciary were Chief Justice Simons, Detroit, and Circuit Judge Allen, Cleveland.

Like the New Orleans court which decided the American Hospital & Life case, the Cincinnati court which decided the National Casualty case confined its opinion to the jurisdictional question, pointing out that it was unnecessary to decide whether A&S advertising of National Casualty was "false or misleading," as charged in the original FTC complaint that started the case.

Following citation by FTC of National Casualty for alleged misleading advertising, an FTC examiner held that four of the five categories in advertising set forth in the complaint were unfair and deceptive as alleged. However, the examiner held that the FTC's over-all interstate jurisdiction was limited to the four states and the District of Columbia which had no statute regulating unfair or deceptive acts or practices, in the business of insurance within their respective boundaries. The examiner further held that the commission had jurisdiction in all states over the advertising practices of the petitioner (National Casualty) to the extent that its deceptive advertising material was disseminated by the petitioner by the use of the U. S. mails. He issued a cease and desist order to that effect.

Upon appeal, the FTC reversed the examiner in part, holding by a three-to-two decision that it had full jurisdiction over the interstate sale of insurance by means of unfair and deceptive advertising practices, irrespective of whether the state had adopted a local law regulating such practices within its boundary.

Following this the case went into

(CONTINUED ON PAGE 20)

Report Ways-Means Rejects Denial of Bank-Loan Interest

WASHINGTON—The house ways and means committee is reliably reported to have rejected the Mills subcommittee's recommendation for making interest on policy loans non-deductible for income tax purposes if the policy was bought pursuant to a plan to borrow on a systematic basis to pay premiums.

This is regarded as a major "break" not only by buyers and sellers of the bank-loan plan of buying life insurance but also by those who are indifferent or actually hostile to the bank-loan plan but who fear that any further curb on the deductibility of policy-loan interest might serve as an entering wedge for denying the deduction to other premium loans and possibly eventually to all policy loans.

The feeling of relief at the reported action of the committee was tempered by the possibility that the committee, at sessions slated for later this week, might wind up by finally modifying its "hands-off" policy. Also, there is still the chance that Dan Throop Smith, special assistant to the secretary of the treasury, and other treasury officials who have been pressing for a curb on the bank-loan interest deduction may be successful in getting the Senate finance committee to go along with their views.

J. Milton Edelstein, Connecticut Mutual, Chicago, and H. Franklin Johnson general agent for National Life of Vermont, also of Chicago, spearheaded a large group of agents throughout the country who waged a continuing battle over the past many months to achieve the "hands off" policy that was taken this week by the ways and means committee.

Fluegelman Agrees to Continue on NALU Group Committee

WASHINGTON—David B. Fluegelman, general agent for Connecticut Mutual at New York, who recently tendered his resignation as a member of the group insurance committee of National Assn. of Life Underwriters, has agreed to remain on the committee. NALU President A. Jack Nussbaum refused to accept the resignation, whereupon Mr. Fluegelman acceded to

(CONTINUED ON PAGE 20)

FTC Examiner Frees Liberty Mutual in False A&S Ad Case

Hearing Examiner Laughlin of Federal Trade Commission has issued an order to dismiss for lack of proof the charge that Liberty Mutual falsely advertised its A&S policies. Not a final FTC decision, the order may be appealed, stayed or docketed for review.

Mr. Laughlin, granting the company's motion to dismiss the complaint, said none of the charges in three categories had been sustained. The charges were that Liberty Mutual's A&S advertising had misrepresented the renewability of its policies, the weekly income benefits for sickness disability regardless of pre-existing conditions, and the payment of weekly cash benefits for a disabling sickness or accident. The advertising in question consisted of seven leaflets distributed by agents to prospects in preferred occupations.

The policies do not contain any compulsory cancellation age and do not exclude benefits where a sickness can be traced to a pre-existing condition, Mr. Laughlin noted. The company never denied liability for sickness benefits except in cases of fraudulent concealment of a pre-existing disease. The only exclusions set forth in some of the advertisements are the only exclusions in the policies themselves, he added.

As for the weekly benefits for accidents, he said it is inconceivable that the advertising claims could be deceptive if read in their entirety. Business people must be credited with having some common sense and with being competent to enter into an uncomplicated personal insurance contract without the constant oversight, guardianship, guidance and approval of the federal government, he asserted.

Mr. Laughlin discussed but did not pass upon Liberty Mutual's contentions that FTC lacks jurisdiction, that the company has abandoned the practices in question and other issues, since he held that the basic charges of misrepresentation lacked merit.

Colo. Assn. Slates Annual Meeting at Colorado Springs

Colorado Assn. of Life Underwriters will hold its first annual convention June 21-22 at the Alamo hotel in Colorado Springs. Speakers will include A. Jack Nussbaum, president of National Assn. of Life Underwriters, and Commissioner Beery of Colorado.

Life, A&S Affairs Play Leading Roles at NAIC Annual

Top Attention Given X-17, Group Annuity Proposal; Expect Election of Navarre

By JOHN C. BURRIDGE

ATLANTIC CITY—Life insurance and its volatile associate, accident and sickness insurance, played the leading roles in the annual meeting here this week of National Assn. of Insurance Commissioners. Priority attention was given to such items as the suggestion by John Hancock for writing group annuities with special funding, to the issue of whether to adopt the new X-17 mortality table, and to the numerous problems in the A&S field.

Joseph Navarre of Michigan is expected to be elected president of NAIC at the final executive session Friday morning. He will succeed Robert Taylor of Oregon, who, incidentally, also is slated to end his tenure as commissioner July 1. Arch Northington of Tennessee is slated to move up from executive committee chairman to vice-president, and to be succeeded in that position by Paul Hammel of Nevada. The new secretary, succeeding Mr. Hammel, it is reported, will be J. Edwin Larson of Florida, who will probably then keep that job for some years.

The Nebraska commissioner to be—John Binning—was introduced at the first plenary session by the outgoing commissioner, Thomas Pansing. This was no news, but Louie Miller of West Virginia created a surprise by announcing that he, too, would leave office July 1, and that his successor would be Harold Neely.

Another hassle developed over the mortality table when the deficiency reserves subcommittee submitted its report to the life committee. The subcommittee report, of course, was favorable to adoption of the new table, calling it "a proper and safe table. We would also again point out that the premiums which are being paid by the public to some companies are higher than they would need to be if such companies were permitted to use this new table as a permissive standard."

A. N. Guertin of American Life Convention read a statement which he said cleared the record of previous statements by ALC and LIA. He reviewed the history of the table, recalling that after clearing the hurdle of the life committee at Miami Beach it was turned down at the plenary session, and then said there is a difference of opinion among the companies as to the need for a change. He suggested that NAIC defer action on X-17 until December, noting that ALC will at its annual convention in October have a full discussion of it and it is hoped an industry opinion can be resolved.

William Brown, vice-president and

(CONTINUED ON NEXT PAGE)

Late News Bulletins . . .

May Litigate IRS Ruling on Non-Can A&S

Internal revenue ruling 57-229 of June 10, denying the life insurance type of income-tax treatment to non-cancellable A&S reserves unless there is a specified rate guaranteed to age 60 or later expiration date, has caused considerable concern among insurers issuing guaranteed renewable contracts on which future rates are subject to company experience. The ruling does not indicate the exact provisions of the policy on which it was sought and until the other companies have studied them they are not sure how broadly the ruling may be applied. If the Internal Revenue Service insists on applying it generally, there is sure to be litigation. One basis for this would be that the definition of non-cancellable A&S as one carrying a specified guaranteed premium is found only in an

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actuary of Colonial Life, urged immediate adoption, saying the small stock life companies are suffering. He also suggested that it be permissive. He said it is not in the public interest that companies be required to use an obsolete table, the reserve requirements of which prevent the smaller companies from using rates which experience would justify.

Holz of New York, after getting Mr. Brown to repeat that he felt the CSO table is obsolete, asked, if this is so why the new table should not be mandatory. Mr. Brown answered that this is a reserve problem, but this did not satisfy Mr. Holz, who asked the same question of Charles West, vice-president of Provident Mutual Life, after he had urged immediate adoption, and got the answer that, as a personal opinion, it would be desirable to make it mandatory.

Mr. Holz said the problem of the commissioners was, if the CSO table is obsolete, as so many industry people say it is, is it in the public interest to permit its use, or is it in the public interest to adopt a new table on permissive basis?

Discuss Salary Reports

The blanks committee of NAIC was asked by Buist M. Anderson of Connecticut General Life to give consideration to raising the salaries reported under schedule G from \$10,000 to \$20,000. He said publication in the statement of salaries in the \$10,000 to \$20,000 range "serves no useful purpose." The New York legislature enacted a law this session that sets \$20,000 as the beginning figure for such publication. Mr. Anderson observed, saying that much as he disliked admitting it, he felt New York had the right idea.

William Bruce of California, who presided for McConnell, said this was suggested at the April meeting of the blanks committee and rejected. He pointed out it is customary to have such proposals presented in December for consideration at the next April meeting of the blanks committee, re-

marking that industry cannot expect to win its point the first time out and should keep trying.

Adopts Resolution

The valuation of securities subcommittee adopted a resolution which left open for further determination the valuation of stock of Columbus Mutual Life, depending on the outcome of the action by Columbus Mutual to amend its charter, the outcome of the merger procedure contemplated by Columbus Mutual and Ohio State Life, and the outcome of possible litigation in connection with either of these.

At a meeting of the subcommittee May 8, Frederick E. Jones, president of Ohio State Life, and Donald J. Hoskins, vice-president and general counsel of Columbus Mutual, asked that the valuation of \$333 a share on Co-

(CONTINUED ON PAGE 4)

Knight Agency Holds Record May Campaign

The Knight Agency of Union Central at New York wound up its annual May campaign with record submissions of \$11,151,802 and record deliveries of \$7,459,796.

The agents voted Fred Notari as "most valuable player" and Paul Satz "most valuable rookie." Baseball was the theme. The activity will be celebrated June 28 at an all-day jamboree at Dellwood Country Club, New City, N. Y. Leading producers were Samuel Sitomer, Warren Stillwell, and Messrs. Notari and Satz.

Reelect Windecker HOLUA Editor

Arthur A. Windecker, manager of the underwriting department of Equitable Society, has been reelected editor of Home Office Life Underwriters Assn. He now is preparing the report of the proceedings of HOLUA's annual meeting at White Sulphur Springs in April.

The Ranni agency of Manhattan Life at New York has moved from 521 Fifth avenue to the 36th floor of 551 Fifth avenue.

Hancock Man Proposes Group Annuities Plan at NAIC Annual

A proposal to write group annuities under a plan allowing segregated assets and greater investment in common stocks was made to the variable annuities subcommittee of NAIC at the Atlantic City meeting by John Hancock Mutual Life. Robert E. Slater, who presented the John Hancock plan, said it would offer the life companies the chance to compete for group annuity business with trust companies while solving many of the problems life companies are encountering on group annuities.

The idea of segregating life company assets was opposed by Milton Ellis of Metropolitan.

Mr. Slater emphasized that the Hancock proposal is primarily for group contracts, but could be adapted to the individual annuity field. He mentioned that it was first presented to a Massachusetts legislative hearing at the end of May and got a favorable reception.

Life companies are currently having a struggle with group annuity business, Mr. Slater said. Because assets cannot in any way be segregated, an employer depositing or withdrawing funds can in some cases do so to the disadvantage of the large body of individual insured. Further, the percentage of assets permitted in equity

investments is low and the resulting in flexibility of investment policy is "not conducive to encouraging employers to finance their pension plans through life insurance companies." New group annuity business of life companies has actually decreased in recent years in spite of the great growth in pension programs.

The variable annuity was suggested as an answer, Mr. Slater said, but it has certain drawbacks.

Mr. Slater noted that the important feature of variable annuities from the viewpoint of life companies is not that the benefit varies with the market value of common stocks, but that there is special and specific funding so as to permit greater flexibility of funding and investment. If the problems of the group annuity business are to be solved, he said, life companies must be permitted to introduce special funding accounts for the group annuity business.

There is ample justification for special funding for the single reason of protecting individual policyholders from anti-selection exercised by an employer making deposits or withdrawals in relatively large sums in order to obtain or avoid the average investment earnings of the life com-

(CONTINUED ON PAGE 19)

Krueger, New Head of Chicago Life Agents Assn., Promises Aggressive Leadership

Gerhard C. Krueger, Equitable Life of Iowa, who was elected president of Chicago Assn. of Life Underwriters at the group's unusually fast-moving annual meeting this week, promised his colleagues a leadership "as aggressive and as plain-speaking" as that of his predecessor, Dan A. Kaufman, Northwestern Mutual Life, who was presented with a plaque in recognition of his service.

"We will be criticized by some and praised by others and that's the way it should be," Mr. Krueger said. He called for strong and active support of NALU, explaining that apathy towards the business by "some of our own agents" may be partly responsible for the strained relationship that currently exists between the field forces and the companies.

Other officers elected were Robert K. Schott, Phoenix Mutual Life, 1st vice-president; George H. Schuermann, Union Central Life, 2nd vice-president; Oliver R. Aspegren Jr., Ohio National Life, treasurer, and Roy D. Simon, Penn Mutual Life, national committeeman.

Elected for two-year terms to the board were George Baldwin, Equitable Society; Edward F. Fendt, Equitable Life of Iowa; Larry E. Harvell, Prudential; Paul A. Hazard, New England Life; Samuel Inbinder, Metropolitan; Henry C. Hunken, Connecticut Mutual Life; Stuart A. Monroe, Mutual Benefit Life; J. Stanley Simpson, Metropolitan Life, and Edgar D. Tripple, The Rockwood Co. John W. Jones, John Hancock, was elected to the board for a one-year term to fill the unexpired term of Mr. Aspegren who was elected treasurer.

Principal speaker at the election meeting was William B. Minehan, secretary, Northwestern Mutual Life, who extolled the values of level premium permanent life insurance in relation to

other periodically "fashionable" types of insurance, such as term insurance, bank loan plans, and a combination of term insurance and equity investments. Mr. Minehan said term insurance is more expensive for its protection feature than permanent insurance, explaining that term insurance is loaded to allow for anti-selection at the beginning and loaded again for anti-selection at conversion.

Mr. Minehan also questioned the worth of the currently popular fashion of buying term insurance for protection and investing the difference in equities that supposedly "go on and upward with inflation." He pointed out, however, that stocks "don't inflate fast enough at the right time." He said there is nothing in stocks that inflates when an untimely death occurs. He also reminded that stocks guarantee no results and no provisions for a life annuity.

The powerful Chicago association has now reached a membership of 2,100, of which 504 received national quality awards at the annual meeting.

The 139 Chicago members of Million Dollar Round Table were given special recognition, and Quaipe M. Ward, the newly-appointed executive secretary of the Round Table, was presented to the nearly 400 agents at the meeting. Harriet Preinitz is executive secretary of MDRT. Thirteen past presidents of the Chicago association dating back to 1942 also were present.

S. F. Estate Planners Elect Slate

Stanley B. Brooks, San Francisco manager for Guardian Life, has been elected vice-president of San Francisco Estate Planning Council. President-elect is Charles J. Perry, a San Francisco attorney.

Southwest Management Conference will hold its 1957 meeting Sept. 13-14 at the Statler-Hilton hotel, Dallas.

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Insurers Favor Laws to Prevent Employee Welfare Plan Abuses

The insurance business favors appropriate federal or state legislation to prevent abuses found in a few of the thousands of employee benefit programs, Gilbert W. Fitzhugh, Metropolitan Life, told the special Senate subcommittee on welfare and pension fund legislation in Washington.

He appeared in behalf of American Life Convention, Health Insurance Assn. of America and Life Insurance Assn. of America. These associations have a total membership of 407 companies and issue almost all group life and A&S and administer 99% of insured pension fund reserves.

Mr. Fitzhugh pointed out that National Assn. of Insurance Commissioners is formulating a code of ethical practices regarding insured union and union-management welfare pension funds. The code, among other things, deals specifically with the fair and equitable payment of benefits, limitations on the amount and procedures for the payment of commissions, allowances and fees and reporting to policyholders. Final action on the code is expected before the end of the year.

The insurance business believes the adoption of the code will be very effective in promoting good practices in this field and in preventing a recurrence of the relatively few cases of abuse involving insurance companies, he said.

He urged that Congress use care to avoid legislation requiring unnecessary reporting which could lead to dilution of the government's efforts to uncover cases of abuse and lead to burdensome and costly administrative procedures by managers of welfare funds, the government and insurance companies. Such unnecessarily extensive legislation could increase the cost of operation of benefit plans, reduce the benefits available and interfere with the healthy growth of these programs without corresponding public benefit.

The insurance associations informed the subcommittee two years ago that they favor legislation necessary to prevent misuse and diversion of employee benefit programs to the detriment of beneficiaries, and have cooperated with the investigations and hearings of Senate subcommittees.

The companies believe that legislation Congress may enact to require reporting of fees, allowances and commissions paid to third parties should

provide that complete information on such payments be furnished by insurers to managers of the cents-per-hour type of insured welfare programs, where some abuses have occurred that may have resulted in lessened worker benefits, and not the level-of-benefit type of program which guarantees assured benefits paid for by employers, he said. Managers of cents-per-hour programs would then provide this information to the government.

The insurance associations also believe that proposed federal legislation should be drafted so that employees

would not be denied the protection of present and future state laws or insurance department regulations governing welfare benefit programs.

A legislative requirement that insurance companies must report all such payments, giving the names of the recipients and the amounts paid, on whatever programs Congress finally determines should come within the scope of the act would provide all the information necessary, Mr. Fitzhugh said. The terms "commissions, allowances and fees" are not used here in a purely technical sense but are intended

to include any payments of any nature made by an insurer in connection with the sale, servicing or administration of an employee welfare program.

Mr. Fitzhugh said the associations believe that any information to be required from insurance companies should be limited to the information pertinent to the objective of avoiding misuse or diversion of funds to the detriment of beneficiaries. A careful study of the cases of abuse uncovered by any of the federal or state investi-

(CONTINUED ON PAGE 13)

MONEY DOES IT!

Starting right now, on a whole series of new policies, **Mutual Of New York** offers you three great ideas in life insurance:



1. A reduction in various premium rates!

Starting right now, MONEY reduces its premium rates on "whole life" plans, at adult ages, for policies with a face value of less than \$5,000. This means

more insurance protection for your gross premium dollar. Dividends paid on such policies make the net cost less than the premium paid.

2. Even lower rates on larger amounts of insurance!

Starting right now, on nearly all types of life insurance for individuals, MONEY offers you discounts on bigger policies with face amounts of \$5,000 to \$10,000, and an even larger discount when the policy is for \$10,000 or more. You save, just as you save when you buy the larger-size packages at your grocery store. For examples of premium discounts, see table.

Policy Face Amount	Discount	How much less you pay . . .	
		in 10 years' premiums	in 20 years' premiums
\$ 5,000	\$1.25 per 1,000	\$ 62.50	\$125.00
7,000	1.25 per 1,000	87.50	175.00
10,000	2.00 per 1,000	200.00	400.00
15,000	2.00 per 1,000	300.00	600.00
20,000	2.00 per 1,000	400.00	800.00

3. A new easy way to pay!

Starting right now, if you have a Regular Checking Account, you can arrange with many banks to have your monthly premium of \$10 or more deducted. With this plan called "MONEY-MATIC," you don't even have

to write the check . . . MONEY-MATIC does it for you *automatically*! Now you can conveniently budget your insurance payments, and it will cost you less than the usual method of paying monthly premiums.

The new plans, or certain features of them, may not yet be available in all states.

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Holz Reports on 1956 N. Y. Disability Benefit Insurer Experience

Insurers authorized to write business under the New York disability benefits law during 1956 protected approximately 2,400,000 employees, according to a report by Superintendent Holz of experience under precisely and substantially statutory coverages.

For each 100 employees insured, six received benefits for an average disability period of six weeks. The average benefit payment per employee was \$164.05. The average weekly benefit payment was \$27.59 and the annual claim cost per employee insured was \$9.77.

The report points out that maximum weekly benefits have increased during the past five years from \$26 in 1952 to \$40 in 1956, and that at the middle of last year the benefit period was boosted from 13 to 20 weeks.

Connecticut General has moved its Columbus, O., office from 22 East Gay street to new quarters at 1511 Northwest boulevard.

Program Completed for Annual Meeting of MDRT at White Sulphur Springs

The latter half of the program for the annual meeting of the Million Dollar Round Table June 30-July 3 will include these events, according to MDRT Vice-chairman William D. Davidson, Equitable Society, Chicago, who is chairman of the program committee:

—A lecture Tuesday morning, July 2, on "Recent Tax Cases, Rulings and Regulations," by Denis B. Maduro, New York tax and business insurance legal authority, a favorite speaker at Round Table meetings. Following his talk, Mr. Maduro will be quizzed on behalf of the members by a panel consisting of Stanley S. Watts, Equitable Society, Norfolk, Va.; John H. Thurman, Penn Mutual, Atlanta, and D. Miley Phipps, New England Life, Cleveland.

—Twelve concurrent room hopping sessions Tuesday evening, of which five will be on business insurance, two on estate planning, one on group insurance coverages, one on employee benefit plans, one on programing and

estate planning, and two on miscellaneous package sales.

—An entire morning session Wednesday on executive compensation plans, starting with talks by Forrest Wallace of Chicago, of McKinsey & Co., Inc., management consultants, who will talk on management aspects of executive compensation, and James F. Thornburg, South Bend, Ind., attorney, who will discuss the legal aspects of executive compensation plans. He has acted as legal consultant on some of the largest plans in the country.

Following Messrs. Wallace and Thornburg, a panel on executive compensation moderated by William T. Earls, general agent of Mutual Benefit Life at Cincinnati, past chairman of the Round Table. Panelists will be Harry C. Copeland Jr., Massachusetts Mutual general agent at Syracuse, N.Y., who will cover agreement forms for deferred compensation plans; Robert K. Clark, New England Life, Cleveland, who will discuss split-dollar deferred compensation plans, and George M. Venable, Northwestern Mutual Life, Columbus, Ga., whose subject will be tax results for the executive through pension and profit-sharing plans.

Following are the subjects and hosts for the room-hopping sessions Tuesday evening:

"Business Insurance and the Key Man," J. Welldon Currie, New England Life, Miami.

"Business Insurance—the Magic of the Corporate Dollar," Albert M. Palmer, Massachusetts Mutual, Miami.

"Business Insurance and Salary Continuation," William B. Hardy and Kenneth V. Robinson, co-hosts, both with New England Life at Waterbury, Conn.

"The Various Uses to a Corporation of Key-Man Insurance," Josef E. Josephs, New York Life, Charlotte, N. C.

"The Interrelation of Business Insurance and Estate Planning," William J. Kinnally, Northwestern Mutual, Milwaukee.

"Creative Estate Planning," Charles T. Kingston Jr., Union Mutual Life, Hartford.

"The Close Corporation By-Products Plus Estate Planning," Donald Shepherd, John Hancock, Quincy, Mass.

"The Programing Aspect of Advanced Underwriting," Joseph H. Reese Jr., Penn Mutual Life, Philadelphia.

"Self-Organization," (package selling session) Daniel H. Coakley, New York Life, Boston.

"Package Selling Salary Deduction Plans" Lawrence E. Andersen, Equitable Society, Pasadena.

"Opportunities in the Employee Benefit Field," C. Rigdon Robb, Northwestern Mutual, Chicago.

"Group Coverages," Norman N. Gortz, Union Central Life, New York City.

At the business meeting Wednesday afternoon there will be special interest in the recommendations of the public relations committee, headed by Mr. Earls. Other members are Arthur F. Priebe, Penn Mutual, Rockford, Ill., immediate past chairman of the Round Table, and Philip F. Howerton, Connecticut Mutual, Charlotte, N. C.

The Rainier district agency of Prudential at Seattle has been moved to new quarters at 1206 North 185th street and renamed north Seattle district. The new district headquarters are in a \$130,000 new office building occupied entirely by Prudential.

Pa. Court Upholds Smith Ruling on Insurer Name Change

Judge Neely of the Dauphin county, Pa., court has upheld a ruling of Commissioner Smith that Quaker City F.&M. be permitted to change its name to Quaker City Ins. Co. in view of the fact it has added casualty underwriting and increased its business scope.

Mr. Smith's ruling had been challenged by Quaker City Life, which appealed to the court, claiming the change of name would confuse and mislead the public and take "unfair advantage."

Although he noted that both insurers write A&S, Judge Neely in rejecting Quaker City Life's claims said: "It has been recognized that companies writing different lines of insurance do not compete with one another."

Both companies are in Philadelphia.

Welfare Funds Wasted, Not Stolen, Says Labor Expert

More money is being wasted than stolen in the operation of union welfare funds, according to Martin E. Segal, San Francisco labor relations consultant in a recent talk to a meeting of industrial relations leaders. Fund trustees can do a much better job in husbanding the millions of dollars poured into these funds, he said.

Mr. Segal recommended that the insurance industry develop an ethical conduct code of its own to establish uniform commissions and assure high standards of service. He stated that reforms are needed where physicians and surgeons adjust fees upwards when they learn that an employee has medical insurance and also said costs might be reduced by pooling small funds and by more efforts toward preventive medicine.

Lincoln Nat'l Names Editorial, Cartoon Winners

Lincoln National Life Foundation has selected the 1957 winners for newspaper cartoons and editorials commemorating Abraham Lincoln's birthday in February.

"The Spirit of Lincoln" by Cy Hungerford in the Pittsburgh Post-Gazette was named the most significant cartoon and "Lincoln Was a Realist" by Arthur L. Crookham in the Portland Oregon Journal was named the most significant editorial to appear on Lincoln's birthday. Forty cartoons and 45 editorials were submitted to the Foundation.

Pan-Am Sells \$1 Million Policy

Alfred D. Laurence, head of a Miami stock brokerage firm bearing his name, has provided for eventual employee ownership of his company through purchase of a \$1 million policy from Leon Schwartz, general agent of Pan-American Life at Miami.

Mr. Laurence's stock in his company will be turned over to a group of key employees in return for payment of \$1 million to his family when he dies. The policy now provides for the current worth of the firm and will be increased annually as the value of the organization grows. It also provides retirement compensation for key personnel.

Great-West Life has entered Colorado, its 19th state. It also does business in the District of Columbia, and Canada. The Manitoba company has a total of \$3,563,000,000 of insurance in force—43.3% of it in the United States.



Life and Casualty Insurance Company has always followed a well planned course for progress. We look to the future with confidence. With well over a Billion Dollars of Life Insurance in force today, compared with the modest beginning of 1903, our goal of Two Billion Dollars of Insurance in force by 1960 is already assured of achievement. Aware of the abilities of the men and women in our field force, because of the marvelous accomplishments in the past, we are confident that this goal will be reached.

Life and Casualty
Insurance Company of Tennessee

HOME
OFFICE
NASHVILLE

ONE AND ONE-QUARTER BILLION DOLLARS LIFE INSURANCE IN FORCE

N. Y. C. AGENTS' ANNUAL

Engelsman Sees Insurance Trends Following Trends in Economy: Sullivan Is Elected

changes and life insurance must be flexible enough to meet the challenges



A. L. Sullivan



R. G. Engelsman

that the future holds for it, Ralph G. Engelsman, sales consultant of New York, told New York City Assn. of Life Underwriters at the annual meeting in the Statler hotel.

Arthur L. Sullivan, general agent of Fidelity Mutual, was elected president to succeed Michael P. Coyle, Phoenix Mutual. Mr. Sullivan, administrative vice-president this past year, also is president of New York City Life Managers Assn.

Mr. Engelsman, whose topic was "Trends in Selling Life Insurance: A Prediction of Things to Come," pointed out that life insurance trends are related to the trends in American life.

The national income is increasing, new home construction and wages are up. The population is shifting, much of it away from the cities. There is a particularly heavy concentration all the way from Washington, D. C., to Portland, Me. Factories are being built outside the cities and stores are moving to their markets.

In life insurance, many large personal producers are located in small built-up areas away from the cities. Life companies are placing people in these sections and are expanding their agency forces to reach these markets. Some companies are building small offices on the outskirts of cities where parking is available.

Large electronic data processing systems have reduced tremendously the amount of time needed to make life insurance calculations and have greatly cut down the area needed for storing records, Mr. Engelsman said. The computers enable companies to reduce handling costs and pass the resulting savings on to policyholders.

Methods of communication have changed. Closed circuit TV and other mechanical devices will help train the second-line management men and

those who are capable of growing with their companies. These devices should help meet the need for more indoctrination, the lack of which is one of the reasons for the great turnover among life insurance people.

Advertising budgets have increased tenfold in the last four years. Although advertising has created a better "backdrop" for sales, it also has caused an emphasis on gimmicks and price that is contrary to sound prospecting and selling.

Life insurance faces much competition from items like TV and autos, where the idea of obsolescence has gained favor at the expense of long-lasting products, he charged. The agent cannot be replaced because it takes a person with a certain amount of skill to move someone to buy life insurance now, not later.

Recent life insurance product change-
(CONTINUED ON PAGE 18)

N. Y. C. CLUs to Hear Traylor June 26; Eiber Slated to Head Chapter

Fitzhugh Traylor, manager of Equitable Society at Indianapolis and president of American Society, will visit New York City CLU chapter at a fellowship luncheon June 26 at the Brass Rail restaurant, 100 Park avenue.

Elections will be held at this meeting, the final one of the year. Bernard M. Eiber, general agent of Mutual Trust Life, has been nominated to succeed James J. McCann Jr., Home Life, as president.

Other nominees are Mrs. Margaret F. Carlsen, Equitable Society, executive vice-president; Ralph Fensterwald, general agent of Continental American, educational vice-president; Gerald D. Good, manager of Equitable Society, public relations vice-president; Howard Rosan, general agent of Continental Assurance, secretary, and B. William Steinberg, general agent of Massachusetts Mutual, treasurer.

Nominated for the board are Harry Phillips III, Penn Mutual, and Harry

K. Gutmann, Mutual of New York, 3-year terms; Alfred Cranwill, Institute of Life Insurance, and Leslie A. Leonard, Insurance Society of New York, 2-year terms; Fred Kimball, New York Life, and Sidney L. Wolk- enberg, Union Central, 1-year terms.

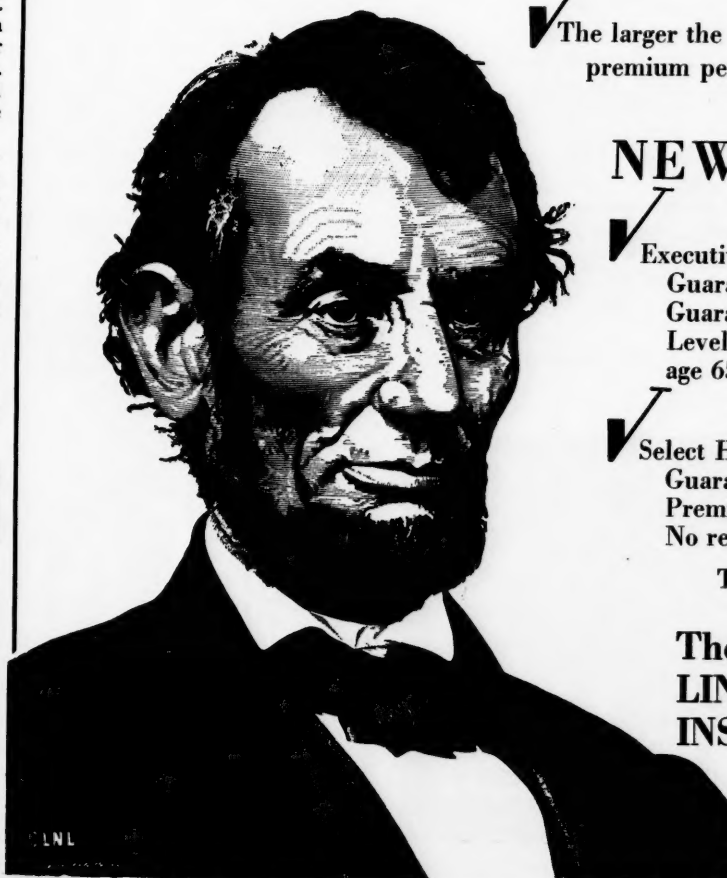
Austin Life Managers Elect Lawson President

Austin (Tex.) Life Managers Club at a recent meeting elected Wallace D. Lawson, Franklin Life, as president. Others elected included Ben T. Atkinson, American General Life, vice-president and L. B. Herring, Tennessee Life, secretary-treasurer. The directors are Oscar Doell, Great National Life, Rex W. McCurdy, Metropolitan Life; A. J. Clare, State Farm Life, and Frank E. Ragsdale, Great Southern Life. These officials will be installed in ceremonies at the Austin country club June 21.

The Austin managers also discussed the touchy question of proselytizing and came up with the general conclusion that the man who had been unhappy with one manager will usually not make a desirable agent for another manager. Some managers questioned the need for change on the basis of clash in personalities.

Now—

4-DIMENSIONAL LIFE INSURANCE PREMIUMS



✓ The larger the amount of the policy, the smaller the premium per thousand

and

NEW A & S PLANS

- ✓ Executive Disability Policy
Guaranteed-Renewable to age 65.
Guaranteed-Premiums.
Level accident and sickness benefits to age 65.
- ✓ Select Hospital & Surgical Policy
Guaranteed-Renewable for life.
Premiums subject to change only by class.
No reductions in benefits even after age 65.

These features are now available in most States.

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ACTUARIES

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RICHMOND ATLANTA NEW YORK



Benefit Life, was elected secretary-treasurer. G. Sydney Barton, Penn Mutual, and Jack White, Prudential, were elected directors. William B. Stannard, vice-president of Occidental Life, was speaker at the election meeting.

Robert L. Woods, Massachusetts Mutual, center, newly-elected president of Los Angeles Life Insurance Managers Assn., presents an appreciation plaque to George N. Quigley Jr., Manufacturers Life, outgoing president, as W. Thomas Craig, Aetna Life, new vice-president, looks on. Thomas G. Murrell, Mutual

NAIC Holds Annual at Atlantic City

(CONTINUED FROM PAGE 2)

lumbus Mutual be revised upward to \$1,300 a share, the cost per share of Columbus Mutual stock to Ohio State Life. It was decided at the May 8 meeting to postpone a decision until Atlantic City, and the resolution now leaves the matter open.

National Assn. of Life Underwriters argued strongly at the group life subcommittee meeting against adoption by NAIC of an amendment to the model group definition which would allow writing of group credit life coverage on purchasers of mutual fund shares. Carlyle P. Dunnaway, counsel for NALU, said the offering of life insurance to mutual fund buyers was a come-on that is demanding to the life insurance business, and he compared it with the practice of stores which give away trading stamps.

The subcommittee report noted that at the Miami Beach meeting last December the group definition was amended to prohibit the writing of this coverage, but the subcommittee has not taken a position either for or against the writing of such business under "a clear and specifically applicable statutory authorization, and indicated in its report a willingness to receive proposals along these lines."

Such a proposal has been made, the report pointed out, "and it is recommended that it be received and given further study."

"We in National Assn. of Life Underwriters," Mr. Dunnaway said in his statement, "are fundamentally opposed to the use of life insurance as 'bait' to promote other plans of savings and investment, some of which, such as mutual funds and other types of equity investments, have a basically speculative appeal that is diametrically opposed to the guaranteed values which only life insurance provides."

"We do not believe that life insurance should be used like green stamps to lure customers into savings banks and investment houses. We believe that when life insurance is so used, it, in many cases, offers protection that tends in the long run to be more illusory than real and to be non-existent when the insured most needs it. In short, therefore, we feel that the

tie-in of life insurance with other forms of savings and investment plans is not in the public interest."

Report on A&S Practices

An interim report on cancellation and non-renewability practices of insurers in the individual A&S field was presented to the NAIC subcommittee on cancellation problems by Joseph F. Follmann Jr. of Health Insurance Assn. HIA, the surveying agency, has received acknowledgement of receipt of its questionnaire from 404 companies. These companies write an estimated 94% of the individual A&S business.

Mr. Follmann said the survey period ends Sept. 30, and companies have been asked to return the questionnaire by Oct. 15. This means, he said, that only an interim report will be possible at the December meeting of NAIC, containing summary quantitative figures.

Mr. Follmann said 108 companies had not acknowledged to HIA the receipt of questionnaires; the commissioners looked at this as unsporting of these insurers and decided to help the HIA get answers.

Gives Status of Laws

At the meeting of the subcommittee on state laws governing misleading and deceptive advertising, Joseph O'Regan of Health Insurance Assn. gave the latest scorecard on the status of uniform laws considered necessary to keep the FTC out of the hair of the states. He said 40 states and two territories have enacted the state fair trade practices act, Alaska, North Dakota and Texas doing so in 1957. The uniform A&S policy provisions law has been enacted in 45 states and two territories, the latest to do so being Minnesota and Utah. The unauthorized insurers service of process act is in effect in 42 states and Hawaii. It was noted that in several states not having the approved bills there are statutes which should be studied as to the possibility of doing a similar job.

Prompted by Chairman Thomas Pansing of Nebraska, there was some

John D. Gray Jr.
joins
winner's circle . . .



Life of Georgia warmly salutes Staff Manager John D. Gray Jr. of Blakely, Georgia. Mr. Gray achieved the company's best record as a staff manager during 1956. In recognition of this outstanding performance he has been named winner of the company's Silver Derby Award.



MORE THAN ONE AND ONE-THIRD BILLION DOLLARS OF LIFE INSURANCE IN FORCE

Confer on Company Convention Plans

Taking a leaf out of his own new book, Jack R. Morris (left), vice-president and director of public relations of Republic National Life, is shown here conferring with I. N. Parrish, convention sales manager of the Boca Raton hotel and club, on plans for the Florida convention that the company will hold next January. Mr. Morris's new book, "So You're Going to Run a Convention!" has a chapter headed "It Will Pay You to Case the Joint in Advance." The book is being distributed by Republic National's reinsurance department, headed by W. N. Stannus, vice-president.



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discussion from the floor of the recent federal court decision in the National Casualty case. The consensus seemed to be that this was a much stronger decision than in the American Hospital case and that the FTC got the lumps it deserved. In essence, the court said that FTC has no authority to regulate in any state where insurance advertising is regulated by state law. Presumably, then, this tosses the ball back to FTC which is expected to scrutinize all the states to see which ones have "regulation" within the meaning of the McCarran act. It is expected that cease and desist orders will obtain in states which do not have laws regulating advertising. The industry considers this its Achilles' heel, for it creates the possibility of a twilight zone wherein there may be attempted dual regulation by the FTC and the state insurance departments. Many states have laws on their books specifically regulating insurance advertising. Others, however, aren't so specific and while there may be regulation by interpretation of other statutes, insurance advertising isn't singled out.

It was reported that "every state has some law relating to advertising." On the floor, the opinion prevailed that if any future FTC "incidents" arose, it would be better for the industry to address itself to Congress rather than the courts.

Non-Can A&S Argued

The arguments on how to define non-cancellable A&S insurance were all hung up on the line again at the Atlantic City meeting of NAIC. Within the industry there has been no agreement on a definition, but reports were made for majority and minority views and the problem was tossed back to the commissioners.

Since the introduction of guaranteed renewable adjustable premium A&S policies, there has been opposition by the old line non-can writers to calling these new coverages non-can. The non-can writers say there can be no change by the company whatsoever after the policy is written.

John Hanna of Health Insurance Assn. offered a definition that has the backing of the majority of the members of HIA committees assigned to study the subject. It terms non-can policies those which cannot be cancelled by the insurer, are guaranteed by the insurer to be renewable to age 59, for which coverage cannot be changed at all, and premium rates cannot be changed except on a class basis.

About the same definition has been recommended by Life Insurance Assn. and American Life Convention, Charles Peters of LIA said.

Speaking for the dissenters, Alfred J. Bohlinger, former New York superintendent now practicing law in New York, said the HIA definition, if adopted, would be the "cause of considerable mischief." Adjustable premium A&S coverage should not be characterized non-can, he argued. The premium could be changed to such an extent as to make it, in effect, non-

renewable. The new definition, "whittles away" the traditional concept of non-can, and could lead to requests to change benefits as well as premiums. He said 33 states have indicated they will not permit the use of the term "non-can" unless the premium is guaranteed.

Mr. Bohlinger said he has seen an advertisement for adjustable premium A&S which calls the policy non-can and relates the guarantees, but makes no mention of the fact that the premium is adjustable. He remarked that this sort of presentation could be carried to serious lengths by the field forces in the heat of competition.

Commissioner Pansing of Nebraska, who presided, attempted to keep the discussion brief, but one speaker after another added his opinion. Horace Rhodes of Oklahoma department said his state has adopted a definition of the industry majority report type, having concluded the public has no fixed concept of the meaning of non-can. He noted there should be full disclosure by the insurer of the adjustability of premiums, and the departments should make sure that the classes are sufficiently broad to avoid

indiscriminate raising of premiums.

C. F. J. Harrington of National Assn. of Casualty & Surety Agents spoke up for the strict interpretation, saying he fears failure to use that definition will provoke more trouble with the FTC, despite the opinions in the American Hospital and National Casualty cases. This was denied by Donald McNaughton of Prudential, who said FTC at its trade practices conference did not develop a definition which would exclude adjustable premium policies from being considered non-can.

Others speaking in favor of the strict definition were W. Clement Stone of Combined of Chicago and John Miller of Monarch Life.

The subcommittee in its report favored adoption of the strict non-can definition.

A report on a survey of department opinions of the New Jersey house confinement rules was given by Commissioner Beery of Colorado, chairman of the subcommittee on house confinement provisions in A&S policies, at the subcommittee meeting at Atlantic City.

Mr. Beery reported that to the question of whether the states favor or would adopt the New Jersey rules, 17 said yes, 10 said they would consider adoption, and eight would not. Eight states did not answer the question and eight did not reply to the survey at all.

Thirteen states believe the New Jersey regulations are necessary, 16 think they are not, and 16 did not answer the question on this point. To the question of whether the problem should be contained by the states or by NAIC, 17 states favored handling it state by state, 12 by NAIC, and 16 did not answer.

The final question was whether house confinement is a particular problem in the states being queried, and 21 said no, nine said yes, and eight did not answer.

The subcommittee submitted a majority report which took note of the fact that adoption of the New Jersey rules on house confinement in that state already has caused at least one company (Washington National) to raise its premiums; eliminate minors under age 15, put in a seven day elim-

(CONTINUED ON PAGE 14)

LIFE WITH PROVIDENT

PENSION "PLUS" FEATURES

Here are just a few of the many reasons why Provident producers can take full advantage of the sales opportunities offered by the growing pension field:

- Full flexibility in employer payments.
- Guaranteed issue life insurance with high first year cash values.
- Purchase of retirement annuities at net rates, without conversion or policy charge.
- Complete facilities for handling all types of pension plans.

All incorporated in a pension plan tailor made to employer's particular needs by Provident's staff of pension specialists.



PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY

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1887 — 70th Year — 1957

A Service Guide A

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"Broker-Dealers in Insurance Stock"
Life — Fire — Casualty

Equitable of Iowa GA Heads Indiana Study of Hospital Insurance

Sen. J. Russell Townsend, general agent, Equitable of Iowa, Indianapolis, has been named to head the special joint legislative committee authorized by the last session of the Indiana general assembly to conduct an investigation into all phases of the operation of hospitalization insurance. The committee has been referred to as a "Blue Cross investigating committee."

The non-partisan committee was authorized by a joint senate-house resolution introduced by Sen. Townsend on the heels of newspaper headlines reporting a better-than \$3 million profit for Blue Cross and Blue Shield followed by an announcement of a sharp rate increase by Blue Cross. Sen. Townsend's resolution passed both houses without a dissenting vote. The committee is directed to make a report to the next session of the general assembly, 1959.

Other members of the committee are Sen. James Spurgeon, Democrat, and

Reps. Grattan Downey, Republican and Walter Maehling, Democrat.

Meanwhile, there were unconfirmed reports that the Indiana Blues are setting up reserves to pay the state gross income tax to which domestic insurers are subject in Indiana in lieu of premium tax. The Blues have not paid the tax since formation despite the fact that they are organized under the same laws as all other domestic mutual insurers. Actual names of the two companies are Mutual Hospital Insurance and Mutual Medical Insurance. Earlier this year, the state attorney-general handed down a ruling confirming the application of the tax law to the organizations.

Whether or not the state will demand the tax retroactively to the formation of the companies is not known. The former state revenue director was quoted by the newspapers last year as saying that in the case of an individual who had not paid the tax, the state would demand the tax retroactively. Observers felt this implied the state would seek back taxes. However, the new revenue director, who took office in January, has made no public statement on the subject.

N. Y. Life to Install \$5 Million RCA Bizmac Electronic Data System

New York Life has purchased a Bizmac electronic data processing system from Radio Corp. of America.

It will be about 16 months before the pilot operation is ready. When the complete installation is in operation in about four years, it is expected to be one of the largest data processing systems in the U. S. The estimated cost is \$5 million.

The Bizmac will be used in the controller's department at the home office where it is believed it will be particularly adaptable to the department's procedures and functions.

An International Business Machines Corp. type 705 system is being used in the actuarial department and has been found well suited for that phase of the operation.

Installation of the 705 created a number of new jobs and offered opportunities for employees to receive special training for these new positions, according to President Clarence J. Myers. The same results from the Bizmac are foreseen. These installations will mean greater freedom from routine clerical work and will provide larger opportunity for more varied and more interesting jobs.

The Bizmac installation will cover 18,000 square feet of floor space and will include 140 units of 10 different but fully integrated types of equipment. Basic units will be the input, file storage, data processing and output devices.

The input devices will include a tape transcriber which will transfer data from punched tape to magnetic tape at the rate of 12,000 characters a minute, and a card transcriber which will transfer data from punched cards to magnetic tape at the rate of 400 cards a minute. The system will record information on magnetic tape and read the data from the tape at the rate of 1,700 words a second.

The computer will accept data from up to four tape stations at the rate of 10,000 characters a second and will perform arithmetic operations at the rate of 50,000 decimal-digit additions a second. It can store more than 4,000 detailed and separate operating instructions in its high speed magnetic drum memory at any one time. Data for the problem is stored in an even higher speed magnetic core memory.

Output devices include the electro-mechanical printer which prints at the rate of 600 lines a minute, and the interrogation unit which can search the system's entire file and come up almost instantly with the one fact that is required.

Neb. Actuaries Club Elects James President

C. W. James, vice-president and actuary of Midwest Life, was elected president of Nebraska Actuaries Club which met in Lincoln recently. He succeeds J. F. MacLean, vice-president of Bankers Life of Nebraska. C. W. Bucknam, assistant vice-president of United Benefit Life, was elected secretary-treasurer. Mr. MacLean commented on the cooperation of the club in the education of actuarial students.

Monumental Staff Managers Meet

Monumental Life held a 9-day advanced training program and conference at the home office for 12 staff managers. The last two days were devoted to an open forum on subjects of interest to field personnel.

Brokers look to **GUARDIAN** for Leadership

In
Professional
Overhead
Coverage



Guardian is adding to its complete line of quality A & H coverages a new

PROFESSIONAL OVERHEAD DISABILITY POLICY

(Now available in most states)

- providing first-day benefits on disabilities lasting thirty days or more
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Example: Doctor in independent practice — age 40
\$500 a month protection. Annual Premium — \$112.00

Call your Guardian manager for complete information, or write

The **GUARDIAN** Life Insurance Company
OF AMERICA

A Mutual Company—Established 1860

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Precontract Training Pays at Mass. Mutual

Does precontract training pay off? LIAMA's study of new financed agents of 29 agencies of Massachusetts Mutual indicates it does.

Precontract trained men showed a 71% first-year survival rate as against 32% for the non-precontract trained. Average first-year commissions earned by the precontract trainees were \$2,131, whereas the non-precontract trained average was \$1,036, with both figures including survivors and non-survivors.

Much of the value of such training, according to LIAMA, lies in the possibility of eliminating uninterested or unqualified men before they go on the payroll.

Standard of Ind. Explains New Equity Annuity Plan

Launching its basic campaign to introduce its "retirement equity annuity plan," Standard Life of Indiana held meetings recently in San Francisco and Los Angeles to explain the program to agents and brokers on the west coast. H. Jerome Noel of the home office agency department explained the "tie-in" with Advisers Fund, Inc., in which Standard owns substantial interest. Mr. Noel explained the difference between this plan, which has been approved, to variable annuity as proposed of Prudential, and said that in his opinion, Prudential will likely change its plan because of the requirements of various states regarding investments by insurance companies in selling equities in common stocks.

Kansas City CLUs Elect Officers

Claude Cochran, general agent for General American Life, has been elected president of Kansas City CLU chapter. Other new officers are William L. Van Auken, Massachusetts Mutual, vice-president and program chairman; Samuel L. Quarles, Provident Mutual, secretary-treasurer, and H. Edmund Platt and John H. Haas, co-chairmen of the educational committee.

Institute Wins Education Award

Institute of Life Insurance has won a Student Marketing Institute award for its program to help teachers and pupils gain a better understanding of life insurance. Selig E. Cohn, a director of the student institute, presented one of the annual awards in the association category to Harlan B. Miller, director of the educational division of the life insurance institute.

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Ohio A&S Assn. Elects Allebach of Inter-Ocean

Ohio Assn. of A&H Underwriters elected William L. Allebach, Inter-Ocean, Cleveland, as president at its annual meeting in Toledo. He succeeds John M. Forrest, Mutual Benefit H.&A., Akron, who is now chairman of the executive board. Herman Harrison, Massachusetts Protective and Paul Revere Life, Cincinnati, was elected 1st vice-president; W. B. McIntyre, Mutual Benefit H.&A., Columbus, 2nd vice-president; and Ben L. Rosen, Continental Casualty, Toledo, 3rd vice-president.

Members of the executive board are Robert M. Best, Business Men's Assurance, Columbus; Andrew DiVincenzo, Mutual Benefit H.&A., Warren; Sidney Fields, Old Equity Life, Cleveland; Griffith Everett, Cleveland; Richard H. Ormond, Massachusetts Indemnity, Cincinnati; Warren Schwochow, Beacon Mutual Indemnity, Columbus; and William S. Steiger, Cleveland, who is a special member of the board for membership.

Featured speakers at the meeting were Rev. Bertram B. Fleming, All American Life & Casualty, Springfield; Howard H. Coron, Mutual Benefit H.&A., Canton; and Donald G. Heth, vice-president, Continental Casualty, Chicago.

Health Service Names Counsel

James R. Alderman has been appointed staff counsel and director of the legal department for Health Service and Medical Indemnity. Health Service is a stock company wholly owned by Blue Cross Assn., and Medical Indemnity is its counterpart for Blue Shield.

Allows 2 Claims on Siamese Twins

Two surgical claims under a group A&S certificate covering a pair of Los Angeles siamese twins will be allowed by Occidental Life of California. Three-month-old Terry and Larry Powell died after doctors attempted to separate them.

Hartford A&H Underwriters Elect

Hartford Assn. of A&H Underwriters has elected Ansel Arnold of Travelers president. William F. Monk of Hartford Accident is vice-president, George J. Richards of Monarch Life secretary-treasurer, and Fred Dinehart of Metropolitan Life chairman of the executive board.

Hear Talk on Hospital Charges

Western Wisconsin A&H Underwriters Assn. heard Robert Phelps, administrator of La Crosse hospital, discuss hospital charges and the role of hospital insurance in meeting them.

Form Tri-City A&S Assn. in Mich.

A&S agents in Saginaw, Bay City and Midland, Mich., have formed Tri-City A&S Underwriters Assn. A charter meeting was held in Saginaw and officers were elected.

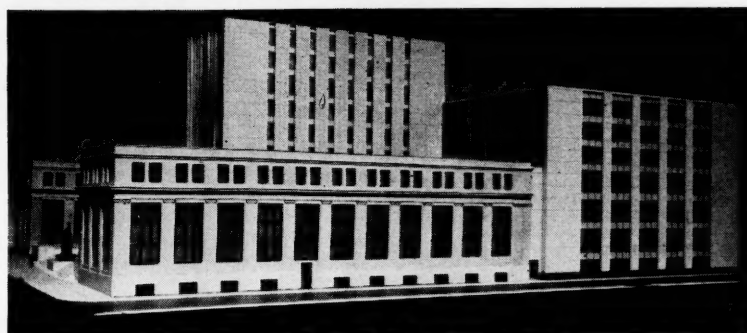
Make Plans for Claim Assn. Annual

The executive committee of International Claim Assn. met at LaSalle hotel in Chicago to make plans for the annual meeting Sept. 9-11 at Chalfonte-Haddon Hall in Atlantic City.

A&S Agents Hear Gifford

Tri-City A&H Underwriters Assn. of Saginaw, Mich., heard Bruce Gifford of the international association speak at the June meeting.

Lincoln National Plans Home Office Expansion with 9-Story, 6-Story Additions



Architects have completed a working model (above) for the multi-million dollar addition to the Lincoln National Life home office at Indianapolis. The 9-story and 6-story additions will be integrated with the present home office structure (left half of picture) which now occupies half of a city block, and will contain 394,000 square feet of floor space. Present quarters occupy 178,000 square feet of floor space and another 105,000 square feet in a building in another section of town. The present Lincoln National tower, an Indianapolis landmark, will be dismantled to make way for a new 9-story tower. The Lincoln museum, now housed in the present tower, will be moved to the first floor of the home office.

RECORDS

BANKERS LIFE OF IOWA—New business issued and paid-for in Bankers Life of Iowa for April totaled \$45,857,460, an increase of more than \$23 million over the same month last year. Of this total \$17,656,548 was ordinary and \$28,200,912, group. Production for the first four months of the year totaled \$146,761,780, an increase of nearly \$52 million over the same period last year. Of this total \$63,759,879 was ordinary and \$83,001,901, group. Total life in force in Bankers Life had reached a new high by the end of April of \$2,749,813,044. Of this amount \$1,656,161,818 was ordinary and \$1,093,651,226, group.

CENTRAL LIFE OF IOWA—New business has shown a 12% increase for the first four months of this year, and the gain in insurance in force is 20% greater than the increase during the first four months of last year. Insurance in force totaled \$476,367,973 at the end of April. Central Life made new security investments totaling \$5,104,220 during the first quarter of 1957 with a return of 5.10% before expenses and taxes. During the same period last year, the company made new security investments of \$4,123,148 with a gross yield of 4.53%.

INDIANAPOLIS—Nate Kaufman, Shelbyville, Ind., established an all-time record high during Indianapolis Life's annual president's month campaign in May by writing 65 applications for a total of \$1,044,000.

The total figures included only \$17,000 term, no jumbo cases, salary-savings, pension trust, or group.

The feat is made further impressive by the fact that Mr. Kaufman, life member of MDRT, had been in Europe for the six weeks preceding the opening of the campaign and returned one day before the start, thus having had little time to "line up" business in advance.

EQUITABLE LIFE OF IOWA—May new paid business was the largest ever for that month, amounting to \$13,897,467, a gain of 21.4% and a continuation of Equitable's 1957 record of gain months. The all-time record production for the first five months totaled \$74,137,377, an 18.4% gain over the corresponding period of 1956. Total ordinary life in force at the end of May reached a new high of \$1,529,179,321. The Smart agency of Detroit was the company leader for May.

Name Dealer Managers for Acquisition by Federal of Colonial

First Boston Corp. and Spencer Trask & Co., as dealer managers, have agreed to form and manage a group of dealers to solicit tenders of Colonial Life stock in exchange for Federal stock to bring about Federal's acquisition of Colonial.

Federal has filed a registration statement with Securities & Exchange Commission covering the proposed exchange of 400,000 shares of its \$4 par value capital stock for 100,000 shares of Colonial's \$10 par value capital stock on the basis of four shares of Federal for each share of Colonial. Federal shareholders will hold a special meeting June 21 to authorize the necessary capital increase.

If this is approved, the exchange offer is expected to begin about June 26 and continue for 30 days, unless extended by Federal. The offer will become effective if accepted by holders of 90% of the Colonial shares or, at Federal's option, by 80%.

"TOP" was just another word
UNTIL...
we gave it a new meaning!



According to Webster TOP means the acme, the pinnacle. In today's slang TOP means the "greatest", the "most." No matter which idiom you use — American Casualty's TOP is the pinnacle and the "greatest"—Because TOP means Quality Accident Insurance.

How do we know TOP is that good? Because public acceptance is the yardstick by which the success of a product or service is measured; and in the case of TOP this response has been immediate and enthusiastic!

Your clients and prospects will go for this high limit, worldwide, low cost plan in a big way. TOP offers these three first-rate accident plans: Conveyance, Common Carrier and 24 Hour.

We invite you to compare TOP coverage with that offered by any other company. Write for complete details—Now. Then you'll understand why TOP tops 'em all!

AMERICAN CASUALTY
COAST-TO-COAST BRANCH OFFICE SERVICE

AMERICAN CASUALTY COMPANY

412 Washington Street, Reading, Pa.

Send me complete details about TOP WorldWide Accident Insurance.

Name _____

Address _____

City _____ State _____

Here's
Another Reason
Why United's
Salesmen are
Happy and
United's Sales
are Zooming!

Be Far-Sighted, Go United!

Yes, Go United . . . and latch onto a high-pay sales career in your own home territory. You get invaluable training at one of the United New Man or Unit Manager's Schools . . . training that helps you gain a footing in one of the country's best paid sales organizations.

For free details on this opportunity, write UNITED OF OMAHA, Omaha, Nebraska, Department NLU-657




United Benefit Life Insurance Company

N. MURRAY LONGWORTH, President.

One Policy

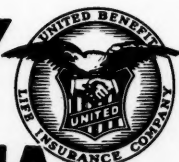
The United Family Policy is made to order for new and young, growing families just like yours. You get whole family life insurance protection with ONE policy. United even automatically insures every new arrival—at no increase in payments. Mom* and the kids (from 15 days until they are 21 years old) are each insured for \$1,000. Dad, who needs more protection, is provided with \$5,000 of whole life insurance coverage PLUS cash and loan benefits. This is the new, economical way to enjoy whole family protection. ONE policy. ONE payment. The cost is low—if you are age 30, only \$10.05 a month for protection as shown in the chart below.

Here's how the plan works

 on Dad	\$5,000	Whole life insurance protection.
 on Mom	\$1,000*	Term insurance. (This protection continues to Dad's 65th birthday.)
 on the Kids	\$1,000	Each (present and future), term insurance from 15 days to 21 years of age.

* Amount varies with age difference between husband and wife. \$1000 is amount when both are the same age.

United
OF OMAHA



UNITED BENEFIT LIFE INSURANCE COMPANY

A Billion Dollar Life Insurance Company

HOME OFFICE: OMAHA, NEBRASKA. CANADIAN OFFICE: TORONTO.
SERVICE OFFICES THROUGHOUT THE UNITED STATES, CANADA AND HAWAII.

A new kind of life insurance protection for the whole family For Dad-Mom and the Kids



and
every new
member is
automatically
insured at
no increase
in payments

old Doc stork
says this is
the greatest
thing since babies.
Dad will be wise
to mail this coupon
to United of Omaha
right now—
Mother may too



UNITED OF OMAHA
UNITED BENEFIT LIFE INSURANCE COMPANY
OMAHA, NEBRASKA

I want full particulars on this new United Family Plan.
I am _____ years old.

NAME _____
ADDRESS _____
CITY _____ STATE _____
NUMBER OF CHILDREN _____

This United of Omaha Advertisement tells to 9½ million families the exciting news about "The Family Way." Page-and-a-half, in color, it appears in *Saturday Evening Post*, May 25, and *LOOK*, June 25.

The NATIONAL UNDERWRITER



The National
Weekly Newspaper of
Life Insurance

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DALLAS 1, TEXAS—708 Employers Insurance Bldg., Tel. Riverside 7-1127. Alfred E. Cadis, Southwestern Manager.

DENVER 2, COLO.—234 Commonwealth Building, Tel. Amherst 6-2725. Fred L. White, Rocky Mountain Manager.

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NEW YORK 38, N. Y.—99 John Street, Room 2420, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.

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ST. LOUIS 2, MO.—221 Pierce Bldg., Tel. Chestnut 1-1634. Geo. E. Wohlgemuth, Resident Manager.

SAN FRANCISCO 4, CAL.—582 Market St., Tel. Exbrook 2-3054. Richard G. Hamilton, Pacific Coast Manager.

CHANGE OF ADDRESS

Be certain to enclose mailing label with new address. Allow four weeks for completion of the change. Send to subscription office, 420 E. Fourth St., Cincinnati 2, Ohio.

EDITORIAL COMMENT

Not All Graduates Are Spoken for

As the new college graduates sort themselves out among the successful bidders for their services, it may seem as if the life insurance business stands little show against the big industrial corporations. These huge companies offer a wide selection of jobs, attractive starting salaries, fine opportunity, and bushels of security for the rising "organizational man."

But in spite of all this high-powered competition for brilliant young engineers, physicists, and other technically trained graduates, there still seem to be thousands upon thousands of college graduates who win their diplomas and somehow or other get out on the street without ever being hunted down by a corporation recruiter. These young people actually have to look for a job. They probably are not straight-A aeronautical engineers. Instead, they probably got a few A's, a lot of B's, and several more C's in college and majored in such things as commerce, business administration, the social sciences, or liberal arts. They are "naturals" for the constantly recruiting general agent or manager.

We know of a fellow who went to a good, small college. He majored in commerce. He did well, but got his degree and got out of college before anybody came hunting for him. He then went looking for a job and in no time at all had six offers, all of them

sales jobs in various lines from tarpaper to talcum powder. The highest guaranteed salary, though, was only \$75 a week.

Then, at this very propitious time, an assistant district manager for John Hancock got hold of him. The manager preached the gospel of life insurance and offered the graduate a guaranteed salary of \$78 a week for the first 13-week trial period. The graduate, probably influenced more by the \$78 a week than by the gospel of insurance, took the job.

He's been on the job a year now and is doing fine. His earnings have gone to \$110 a week and more. He's already pushed ahead salary-wise of most of his college contemporaries who went into the "more secure" lines. His college background in commerce has helped him tremendously. He understands the value of a contract, learned quickly the basic benefits of insurance, and doesn't back off confused and bewildered when the sophisticated prospect says he has no need nor interest in ordinary life insurance because he's "investing in stock."

The insurance sales industry may find the competition for the college graduate keen, but it must be remembered that there are plenty of them, they can prove themselves a worthwhile investment, and many of them actually need jobs.—Richard J. Donahue.

Welcome News from Detroit

The insurance industry, in all its branches, has special reason to be gratified at the decision of the Automobile Manufacturers Assn. to stop bragging up the speed and acceleration of their cars and to withdraw from all forms of racing activity. Far more than the general public, the insurance business has close familiarity, often at first hand, with the frightful toll in snuffed-out lives and agonizing injuries, not to mention the relatively secondary but financially tremendous property damage costs due to horsepower-happy drivers.

While we are pleased at this official switch in position, we doubt that the leopard has really changed his spots. We think he just got the living day-lights scared out of him by such developments as the congressional investigation into highway safety and the demands that something be done about curbing the fantastic horsepower of today's automobiles. These potent engines of destruction, plus the speed-and-power consciousness generated by all the advertising and propaganda about acceleration and top speeds, have invited legislative crack-downs, including the thing that the manufacturers dread most of all—compulsory installation of speed governors.

It remains to be seen how scrupulous the manufacturers will be in carrying out the recommendations of their association. Dealers and their salesmen can still give the prospects the speed and power pitch even though

the manufacturers officially have no part in such nefarious goings-on.

There is good reason to believe that the automobile makers had probably run the power and speed sales appeal into the ground, entirely aside from possible trouble with public opinion, Congress and the state legislatures. Almost any current model can lay down a track of rubber as it spurts away from a traffic light if the driver tromps hard enough on the accelerator. What more could another 100 horsepower do?

With so much power and the improved automatic drives, the driver doesn't even have to know how to manage a clutch. All he has to have is enough intelligence to know which way you move the gas pedal. The power race has about got to the point where superiority is measured by how much rubber your car will lay down on the pavement as you leave the starting mark. Many drivers are complaining of poor tire mileage that is due to nothing more than their jack-rabbit starts.

Perhaps part of the reason for the manufacturers' switch is the surprising jump in the popularity of the small foreign cars that are decidedly modest in horsepower but are, in the oft-quoted phrase, fun to drive. They won't mash you against the back of the seat as you start off, and the steering is so light that a power assist would be ridiculous, the clutch is so easy to work that you don't need an automatic gearshift, and the brakes

need no booster. The rising popularity of these cars indicates that if you give the people a chance to learn that gas-hungry monsters are not the only vehicles available, a good many drivers will find that power and hugeness aren't all there is to pleasurable motoring.

Perhaps we can even hope for the day when the tire-squealing oaf, who believes that his 300-plus horsepower will get him out of any jam his zany driving can get him into will discover that other motorists are not admiring his car's power but are merely scornful of his childish antics.

Anyway, without the constant tub-thumping for speed and power that the manufacturers have been guilty of in recent years, there is reason to hope that decent manners on the highway may become far more common than they are today. And with this improvement there will come a reduction not merely in insurance claim payments but, far more important, in the death and suffering that can't be measured in claim dollars.—R.B.M.

PERSONALS

Leland T. Waggoner, who will join Life of North America as agency vice-

president on July 1, has been western regional vice-president of Mutual of New York at San Francisco since 1956. He joined Mutual at Nashville in 1934. He is a former national board member and regional vice-president of American Society, has been associate editor of *CLU Journal* since its inception and has written on life insurance sales and agency management.



L. T. Waggoner

Mrs. Marion S. Eberly, director of the women's division of Institute of Life Insurance, has been appointed alternate delegate for the U.S. to the 12th assembly of Inter-American Commission of Women held in Washington this month. She is vice-chairman of the U.S. delegation.

T. D. Eilers, president of World of Omaha, received an honorary degree of doctor of laws from Buena Vista college of Storm Lake, Ia.

M. Cullum Thompson, secretary of United Fidelity Life, has been elected to the advisory board of Dallas Child Guidance Clinic.

James L. Madden, 2nd vice-president of Metropolitan Life, has been elected an honorary member of the New York university chapter of Iota Nu Sigma, national insurance fraternity.

Lynford M. Foster, budget accountant of National Life of Vermont, is the author of an article, "Accounting for the Company's Plane" in the May issue of *The Office* magazine.

Blake T. Newton Jr., president of Shenandoah Life, has accepted the Virginia chairmanship of the citizens committee for the Hoover Report.

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Joseph M. Bryan, senior vice-president of Jefferson Standard Life, and Albert G. Myers of Gastonia, N. C., chairman of the executive committee and long a director, have been awarded honorary doctor of laws degrees by Belmont Abbey college at Belmont, N. C.

DEATHS

WALDO C. CHEEK, 44, former commissioner of North Carolina, died of a heart attack on the street in Charlotte while walking to his office as president of Skyland Life. Appointed commissioner in 1949, he was elected to that office in 1950 and reelected in 1952. He resigned the following year. He was a CLU, and was an agent of Connecticut Mutual Life in his home town of Asheboro from 1937 until he was named commissioner. Prior to that time he practiced law.

PAUL ROBERT SCHWEICH, 75, former general agent at Kansas City for Lincoln National Life from 1923 to 1932 and also at one time superintendent of these funds through intent at West Los Angeles, Cal. Mr. Schweich also at one time was with Minnesota Mutual Life at Los Angeles.

HAINES BOYD WICKES, 57, actuary for California Life, died suddenly while vacationing in Reno. A native of England, Mr. Wickes was with Montreal Life before going west.

WILLIAM J. W. MERRITT, 45, vice-president and secretary of Southwest America Fire & Casualty, died at his home in Houston. He formerly was agency vice-president of Tennessee Life. Prior to then, he was agency vice-president of Wisconsin National. He entered insurance with Guardian Life and at one time was with Continental Assurance.

GEORGE H. CHACE, 73, who retired in 1948 as vice-president in charge of ordinary agencies of Prudential, died in Overlook hospital at Summit, N. J., after a long illness. Mr. Chace joined Prudential in 1905 and became secretary to the president in 1927. He was named first head of the ordinary agencies organization when it was established in 1929. He became vice-president in charge of the group and advertising departments in 1938.

Favor Laws to Prevent Welfare Plan Abuses

(CONTINUED FROM PAGE 3)

gative committees, which the subcommittee noted were a very small proportion of all cases, coupled with a careful consideration of the general nature of these programs, indicate that abuses growing out of the insurance function, as distinguished from any abuses in the management of the welfare funds, are related to the payment of commissions, allowances and fees to third parties for their services. As far as insurance is concerned, this is the area of abuse upon which attention should be focused when disclosure legislation is being considered.

Any information to be required from insurers should be furnished by the insurer to the managers of the welfare programs, who in turn would be required to report it to the designated federal agency. There is no need for requiring automatic dissemination of reported information to all beneficiaries of these programs. However, the

report or an appropriate summary could be made available by the agency, or under regulations prescribed by it, to those having a direct interest and who request it. Beyond this point, it would become an unnecessary item of expense and administrative burden. The secretary of labor, in his testimony before the subcommittee, also recommended disclosure to beneficiaries only on request.

As to a specific recommendation dealing with the type of welfare program which should be required to register and report, Mr. Fitzhugh said that several of the proposed bills being considered by the Senate subcommittee would apply to all types of plans, programs and funds, and that other bills limit the scope of the proposed legislation in one way or another.

In considering the most practical way to limit the scope of the proposed legislation so as to cover only the field that needs to be covered the insurance companies are directing themselves to the area involving insurance programs. Insurers are not taking any position on the extent to which the legislation should apply to uninsured welfare or pension plans.

He pointed out the distinctions between level-of-benefits welfare plans and cents-per-hour welfare funds and urged that the proposed legislation be applied only to the latter. Among other differences, the former guarantees assured benefits at the employer's expense and affords no opportunities for abuse or mismanagement at the expense of beneficiaries. Benefits under the latter type of program depend on how much money is left in the fund after expenses and other charges. Diversion of these funds through intent or mismanagement is the source of abuses Congress is seeking to correct.

There are possibly 500,000 programs of all types in existence. Even if the number is reduced to 50,000 by excluding cases under some minimum size, the administrative agency would be required to review the reports from the 90% whose financial structures make reporting unnecessary in order to search out the relatively few cases in the remaining 10% where abuses might exist. Such a dilution of the agency's work, entirely aside from the extra expenses involved, could seriously impair its ability to find and investigate cases of actual abuse.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co.
135 S. LaSalle St., Chicago, June 13, 1957

	Current	Bid	Asked
Aetna Life	195	195	199
Beneficial Standard	17 1/4	17 1/4	17 3/4
Cal.-Western States	88	88	92
Colonial Life	129	129	134
Columbian National	79	79	82
Commonwealth Life	24 1/2	24 1/2	25 1/4
Connecticut General	299	299	303
Continental Assurance	125	125	127
Franklin Life	103 1/2	103 1/2	105 1/4
Great Southern Life	75	75	81
Gulf Life	26 1/2	26 1/2	27 1/4
Jefferson Standard	89	89	91
Kansas City Life	1240	1240	1270
Life & Casualty	19 1/4	19 1/4	20 1/4
Life Insurance Investors	15 1/4	15 1/4	15 3/4
Life of Virginia	110	110	113
Lincoln National Life	220	220	224
National L. & A.	94 1/2	94 1/2	96
North American, Ill.	19 1/2	19 1/2	20 1/4
N.W. National Life	83	83	86
Ohio State Life	270	270	275
Old Line Life	58	58	62
Republic Natl. Life	38 1/2	38 1/2	39 1/4
Southland Life	94	94	97
Southwestern Life	107	107	111
Travelers	83 1/2	83 1/2	84 1/4
United, Ill.	23	23	23 3/4
U. S. Life	33	33	33 1/4
West Coast Life	46	46	48
Wisconsin National	65	65	69

A Company with a Creed!



"Since its organization in 1900, the guiding principle of Liberty National Life Insurance Company has been to achieve success by deserving it; to protect its policyholders and their beneficiaries with a fair, unselfish contract and to construe it liberally in their favor; to serve them faithfully, adequately, honestly and economically."

Liberty National Life Insurance Company

Frank P. Sanford, President • Birmingham, Alabama



Starting That New Life Can Be Loads of Fun

That's right, the new home will be a happy one if it is built on a firm financial foundation. The NATIONAL THRIFT PLAN is especially designed for those who are planning for tomorrow. It's an "Easy Training, Real Compensating Package." Write for complete information. Use handy coupon below.

NATIONAL LIFE COMPANY

... Since 1899

ARLEY F. HANSON, President

A MUTUAL COMPANY

HOME OFFICE • DES MOINES, IOWA

MR. CARL F. WOODMANSEE

V.P. and Agency Director

National Life Company, Hubbell Building, Des Moines, Iowa

NU6

Dear Sir: I am interested in "The National Thrift Plan." Please send me full particulars.

Name.....

Address.....

City.....Zone.....State.....

NAIC Holds Annual at Atlantic City

(CONTINUED FROM PAGE 7)

ination period for female risks, and issue policies for a shorter period of time for confining illness. The majority recommendation was that a new definition of house confinement be adopted as follows:

"The requirement for confinement indoors shall be interpreted to allow necessary visits to the physician's office or hospital for treatment, and by direction of the attending physician, periods of rest on the porch or in the yard of the house or building in which the insured is confined."

Howell of New Jersey voted against

the definition, and reserved the right to submit a minority report.

The subcommittee recommended that its study be continued and that stress be placed on the possibility of elimination of bed confinement under any policy of A&S insurance.

Ad Rules Committee Inactive

The subcommittee on interpretation of NAIC advertising rules of A&S insurance has been inactive for the last six months, Chairman Thomas Pansing of Nebraska reported. He asked for comments from industry, and S.

P. Hutchison of Washington National, chairman of the Health Insurance Assn. committee on advertising rules, said HIA has sent out a questionnaire on how the rules could be improved. There has not been time to get all the answers in or digest what has been received, he said, but a report should be ready for the subcommittee before the December meeting of NAIC. He said that at a glance there is not too much dissatisfaction with the rules.

Commissioner Navarre of Michigan, chairman of the subcommittee on commercial pension funds and trusted welfare funds, reported at his subcommittee session that the draft of a code of ethics released May 22 is strictly preliminary. It was put out to show Congress in a tangible way what NAIC is doing about the problem. Before it is made final, Mr. Navarre said, the committee will want further advice from industry and the ideas of producers.

Herbert Fester of Amalgamated Life suggested that testimony in Congress indicates the possibility of national legislation to cover welfare funds, with such laws being extended at the state level. This will be an expensive and burdensome matter for the companies, he noted, wondering if NAIC could not work closely with the Department of Labor to produce regulations that would not prove confusing.

Claris Adams of American Life Convention reminded the commissioners that the Senate labor committee was told action was expected on the NAIC code before the end of 1957, and he said he hopes there will be continued effort to this end.

The subcommittee on extended maternity benefits, in its report to the parent non-profit hospital and medical associations committee, recommended that its subject matter be removed from the agenda and the subcommittee discharged.

Discussion of setting up reserves for franchise business was the main item of discussion at the meeting of the subcommittee to study reserves for guaranteed renewable A&S policies.

The subcommittee on installment sales and loans spent most of its time in executive session, opening up long enough to hear a statement from Robert Battles, president of National Assn. of Insurance Agents, who advocated strictness in dealing with this problem.

A proposed new title and mortgage guaranty blank was submitted by a

new industry committee to the NAIC subcommittee studying this subject. Percy E. Warner, Title Insurance & Trust Co. of Los Angeles, who heads the industry group, explained that the blank was offered as a basis for discussion. William Gould of New York presided at the subcommittee meeting, the first on the NAIC agenda for the Atlantic City convention.

Insurers on Offensive

NAIC was asked by industry in a statement delivered to the subcommittee on reimbursement formula between hospitals and service associations not to endorse the "principles of payment for hospital care" developed by American Hospital Assn. because the principles "would encourage . . . formulae which result in . . . discriminatory charging policies."

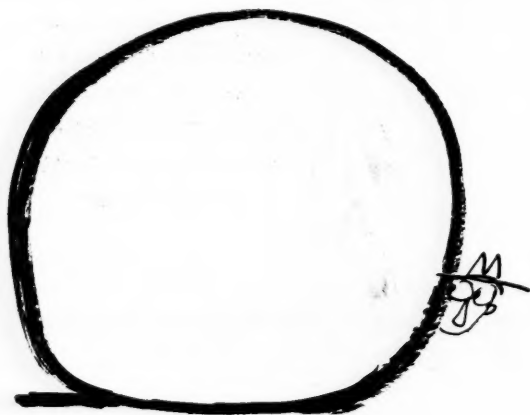
This industry statement puts the insurers on the offensive in dealing with Blue Cross, ending the truce which has existed for several years. Joseph F. Follmann Jr. of Health Insurance Assn. presented the industry views. He said the hospital association principles under the consideration by the NAIC subcommittee for endorsement "contain a statement . . . which indicates that there is a differential between established charges to individual patients and the amounts paid by large-scale contractors who under certain conditions guarantee payment for all their clients for the same accommodations. These principles, therefore, by encouraging the exclusion of specific operating cost items from the hospital's reimbursement formula would support this differential producing a different rate of reimbursement to the hospital for the same type of care to the public with the controlling variable being the patient's status in financing such care. This is inequitable to the public since it supports a discriminatory pricing policy which may either ultimately place the hospital in an unstable financial position or financially penalize the patient who pays for his hospital care at the higher level of reimbursement."

The industry statement asked NAIC to resolve that hospitals "are entitled to be reimbursed at the same rates by all patients who pay for their own care, whether they pay themselves or through any form of prepayment or health insurance protection, and further resolve that it is in the public interest that the hospital charges be based upon sound cost accounting principles and that the charging policies developed by individual hospitals apply uniformly to all patients varying solely by the type of accommodation used."

The suggestion that Blue Cross and Blue Shield should be under closer scrutiny of the states was made at the meeting of the non-profit hospital and medical service association committee meeting. Sheehan of Minnesota presided.

Thomas R. Balaban of Pennsylvania suggested that Blue Cross and Blue Shield were more susceptible to state regulation, and Artemis Leslie of the Blue Cross-Blue Shield Commission said his organization would be happy to assist in the preparation of model legislation to be adopted nationally.

B. M. Anderson of Connecticut General Life commented that Blue Cross and Blue Shield should recognize that they are a part of the insurance industry and accept their responsibilities as such.



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FIELD CHANGES

Life of Virginia

Robert N. Gibson, associate district manager at Baltimore, has been promoted to field training supervisor to supervise agent training in a number of Life of Virginia offices in Maryland, District of Columbia and West Virginia. **Sidney A. Dossetter**, with the company at Baltimore since 1955, succeeds Mr. Gibson as associate manager.

State Mutual

Sylvester F. Riebel, manager at Oklahoma City, has been transferred



S. F. Riebel



Eldon Wallace

to Fresno, and **Eldon Wallace** has been named manager at Oklahoma City. Mr. Riebel, who joined State Mutual in 1955 to establish the Oklahoma City agency, will head another new agency in Fresno. He entered the business with Penn Mutual at Fresno in 1950 and later became general agent in Oklahoma City. Mr. Wallace joined Penn Mutual at Oklahoma City in 1952 and was appointed a supervisor in 1954. When State Mutual's Oklahoma City agency was established, he joined the company as an assistant manager.

General American Life

E. Harley Boss has been named district manager with the Fly agency of General American Life at Nashville. Mr. Boss is a former first baseman for the Washington Senators and Cleveland Indians. He played professional baseball 19 years, five of them in the major league.

Guardian Life

Calvin S. Curtis, past president of Columbus (O.) A&H Underwriters Assn., has been appointed general agent of Guardian Life at Columbus. He formerly was with Mutual Benefit H. & A.

Great-West Life

Great-West Life has opened a new branch at Dayton, its fifth in Ohio, and appointed **Dennis E. Clark** manager. The Dayton office is at 1300 Third National building. Mr. Clark entered insurance in 1950 at Columbus, O., and joined Great-West in 1952 at Columbus. He was appointed a supervisor there in 1954.

Prudential

James W. Sorenson, staff manager at Longview, Wash., has been named manager of the district agency at Salem, Ore. Mr. Sorenson is being succeeded in Longview by **W. O. Jones**, a Prudential agent there since 1955. Mr. Sorenson joined Prudential in 1937 at Portland, Ore.

H. Rickane Jasperson has been appointed staff manager of the Mount Hood district of Prudential at Portland, Ore. He joined the company there in 1952.

Harold W. Moyer has been appointed district manager at Washington, D.C., to succeed **Ralph C. Morrow**, who has taken charge of a new district at College Park, Md. Mr. Moyer joined Prudential at Norristown, Pa., in 1947 and recently was advanced to training consultant in regional sales headquarters at Reading.

Emelius Lombardo has been named district manager at Utica, N.Y., to suc-

ceed **Douglas S. Forness**, who has taken charge of a district in Buffalo. With Prudential since 1939, Mr. Lombardo has been a training consultant in regional headquarters at Albany since 1956.

Pan-American Life

T. Z. Walker has been named general agent in Amarillo, Tex., with offices at 419 West 10th street. He entered life insurance in 1953 with Southland Life. He will serve 23 counties for Pan-American.



T. Z. Walker

General American Life

William H. Mountcastle has been appointed district manager of the Kamaina agency in Honolulu. Mr. Mountcastle has been in the life business for more than 25 years and is a life member of Million Dollar Round Table.

Manhattan Life

Abraham A. Pollack has been named general agent at Long Beach, Cal., with offices at 3960 1/2 Studebaker road. Before joining Manhattan he had been with Occidental Life since 1950.



A. A. Pollack

Continental Assurance

Robert F. Kelley has been appointed associate general agent with the Johnson agency of Continental Assurance at Toledo. Mr. Kelley has been in insurance 12 years, seven of them with Continental.

Occidental of California

Robert F. Harrison has been elected assistant controller of Occidental Life of California. He joined the company in 1946 and has served as assistant auditor since 1951.

Indianapolis Life

Archie Dees, Indiana university basketball center who led the Big Ten in scoring last season, has joined the Nate Kaufman agency of Indianapolis Life at Bloomington, Ind. After graduating next year, he plans to enter the life field on a full-time basis. He will work with Don Schlundt, former Indiana All American, who is a member of the Kaufman agency.

Northwestern Mutual

Julian F. Leet, assistant director of agencies for Northwestern Mutual Life has joined the company's general agency in Cleveland, as assistant to General Agent Raymond J. Dolwick and will specialize in the training and supervision of new agents. Mr. Leet joined Northwestern Mutual in 1949 as a special agent in Columbus, O., after three years experience as a life agent. In 1952, he became an agency assistant at the company's home office, advancing to assistant director of agencies in 1954.

All American Life & Casualty

Three new managers have been appointed to develop territory in Indiana and Ohio for All American Life & Casualty. **Stephen Miskin** of Akron has been named zone manager and agency builder for northeastern Ohio. Entering insurance with Monumental Life in 1933, he joined Old Equity Life and

was state manager for Ohio for that company until joining All American.

Arthur T. Beiswenger of Elkart is the new manager for west central Indiana. He previously was state manager in Indiana for Old Equity Life.

Forrest H. Rans, of Bluffton, Ind. has been named manager in eastern Indiana. He was formerly of Columbus, O. and was state manager for Old Equity Life before joining All American.

Union Central Life

M. Alvin Sessi has succeeded **Robert T. Wennstroem** as manager for Union

Central Life at Syracuse, N. Y. Mr. Wennstroem is retiring as manager after 19 years but will continue with the agency as a producer. Mr. Sessi has been with Union Central at Pittsburgh since 1953. Prior to that he was in insurance in West Virginia. Mr. Wennstroem is a past president of Syracuse Life Underwriters Assn.



M. A. Sessi

Ohio National Life

Frank E. Muscal has been appointed general agent of Ohio National Life's new office at Philadelphia in the new Transportation Center building, 6 Penn Center Plaza. Mr. Muscal has been in life business for 16 years and had experience as an agent, district manager and assistant agency manager before joining Ohio National.

American United Life

Wes Santee, 1955 graduate of University of Kansas and whose two-year record for running the American mile was beaten just last week, has joined American United Life as an agent at Lawrence, Kan.

Boston GAs & Managers Elect Faser President

Henry M. Faser Jr., general agent of Penn Mutual, has been elected president of Boston General Agents & Life Managers Assn. to succeed **James M. Voss** of Union Mutual.

Also elected were **Howard J. Stagg II**, Connecticut General, vice-president; **Thomas C. Walsh Jr.**, Prudential, secretary, and **Laurens F. Bruno**, Equitable Society, treasurer.

Elected directors were **George A. Gallagher**, Metropolitan Life; **George F. Scanlon**, John Hancock; **Nino Siracusa**, Phoenix Mutual; **John P. Meehan**, Mutual of New York; **Paul F. Saint**, Home Life, and **John F. Gerrior**, Metropolitan Life.

The election took place at the annual meeting and dinner at Marblehead Neck. Mr. Voss received a desk set, **Harold P. Cooley**, New England Life, chairman of the all-day annual meetings for 18 years, who is retiring, received a radio and engraved scroll as an honorary member.

Wisconsin GAs Elect Frey

John J. Frey, Prudential, Milwaukee, has been elected president of Life Managers & General Agents Assn. of Wisconsin to succeed **George L. Grimm**, New England Mutual, Milwaukee. **C. W. Tomlinson**, Bankers Life of Iowa, Madison, was named vice-president and **Stuart Koch**, Northwestern Mutual Life, Appleton, was elected secretary-treasurer. New directors are: **Wilbur C. Moyer**, Metropolitan Life, Milwaukee; **William Goebel**, Central Life of Iowa, Madison; **Silas G. Johnson**, Massachusetts Mutual, Madison; and **Frank Baker**, Bankers Life of Iowa, Eau Claire.



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Success? . . . Reliability? . . . Trust? . . . Here at Canada Health and Accident Assurance Corporation they must all measure. Building prestige of this kind over the past eleven years has resulted in Canada Health and Accident becoming the largest all-Canadian insurance company of its type in the country . . . a feat only attainable through fair dealing.

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CANADA HEALTH & ACCIDENT ASSURANCE CORPORATION

HOME OFFICE WATERLOO ONTARIO

HOME OFFICE CHANGES

Continental Assurance

William L. Sweeting has been named pension representative at Detroit with offices at the company's Detroit branch, 725 Ford building. Mr. Sweeting has been in insurance since 1948. Before joining Continental Assurance he was vice-president of Erickson Pension Corp., Buffalo, N. Y.

Occidental of California

Somers C. Pfeuffer has been named brokerage manager at the San Antonio branch. Mr. Pfeuffer has been in insurance in San Antonio for the past three years.

Capitol Life of Denver

Thomas F. Jones has been elected executive vice-president of Capitol Life of Denver, and Melvin J. Roberts has been named vice-president and treasurer. Mr. Jones previously was director of research and planning for Associates Investment Co. of South Bend, Ind., of which Capitol Life is a wholly owned subsidiary. Mr. Roberts has been with Capitol Life since 1945 and previously was treasurer.

Mutual Benefit Life

Robert P. Douglass has been named attorney, effective July 1, and Milton E. Sullivan has been appointed director of field supervision. Mr. Sullivan, a CLU, has been with John Hancock. Mr. Douglass has been with McCarter, English & Studer, Newark law firm. Changes in the administrative staff were James W. O'Connor from com-

troller's assistant to manager of the newly established machine service department; Frank A. Brooks Jr. from senior mathematical assistant to assistant mathematician; Don E. Snee from manager of the office services department to group administrative assistant, and John P. Carberry from mathematical assistant to group mathematical assistant. Mutual Benefit Life based its decision to set up a separate machine service department on the increased use of machines within the company and on the contemplated use of machines in the new home office building which is currently under construction.

Travelers

Edgar S. Reed, assistant secretary in the home office service department since 1952, has been transferred to personnel with new duties as assistant secretary. Robert E. Ashcraft, assistant superintendent of printing since 1952, has been advanced to superintendent of printing. Mr. Reed joined Travelers in 1938 and was named superintendent of printing in 1949. Mr. Ashcraft has been with Travelers since 1948.

Mutual of New York

James J. Hubbard and Frederick Oliver have joined the recently established market development division as market development associate and project supervisor, respectively. Mr. Hubbard joined Mutual in 1947 to do research work, following 10 years of related activities with National Housing Agency, New York State division of housing, and New York university's

school of commerce. Mr. Oliver entered the business with Prudential's group department in 1935 and after wartime air force service, joined the administrative staff of Boy Scouts of America. He joined Equitable Society at Newark in 1955 and in 1956 went with Mutual's home office staff.

Equitable Society

Raymond E. Galligan has been appointed agency assistant. Bruce L. Roberts has been named editor-in-chief of *Agency Items*, bi-weekly publication for agents and managers. Both appointments are in Equitable's agency department. Mr. Galligan, formerly a unit supervisor, has been with the company for 34 years, all in the agency department. Mr. Roberts for three years has been assistant to Henry Lloyd, former *Items* editor and now director of publications. He is a former agent and onetime night foreign desk editor of United Press in New York. His father, Earl B. Roberts, is manager of Equitable in New Haven.

General Services Life

Nathan A. Clark, with Acacia for 29 years, has been elected secretary and will be in charge of home office administration.

FRATERNALS

Fraternal Actuaries Discuss Mortality Table Needs, Family Plan

Topics discussed informally at a recent meeting of Fraternal Actuarial Assn. in St. Louis included: (1) Need for a new mortality table, (2) double indemnity benefits on juvenile lives, and (3) "family insurance" contract.

Malvin C. Davis, Metropolitan Life, president of Society of Actuaries, extended greetings to the fraternal group and outlined the many recent developments in the life industry. He pointed out that one of the actuary's primary responsibilities is to take a long range point of view on all new developments.

In his paper "On the Mortality Risk and a Variable Benefit Pension Plan," Franklin C. Smith, mathematics professor at College of St. John, presented a study of the effect of mortality experience on retirement plans with a variable benefit pension. Robert Flott, actuarial assistant, Brown & Richardson, presented a paper on "Applications of Manually Punched Cards for the Small Fraternal Society." George A. Huggins in his paper, "Fraternal Actuarial Association in Retrospect," reviewed the history of the association and the date of its organization in 1916. Daniel D. Macken, Woodmen of the World, presented an actuarial note, "Construction of Tables to Facilitate Polynomial Curve Fitting by Method of Least Squares."

Miss Mary Cusic, Royal Neighbors, in her remarks as president of Fraternal Actuarial Assn., discussed the role of the actuary and his problems. One of his problems is to find ways of reducing costs. She outlined the method used in their office in preparing the schedule D of the annual statement. The use of IBM punch cards and tabulating equipment, in addition to reducing the cost of preparing this schedule, has simplified their bond accounting and has made accessible more readily other information for reports to management.

Milwaukee Fraternals Elect

Merle Darrell, National Fraternal Flag Day Foundation, has been elected president of Milwaukee Fraternal

Congress. Other officers are: Arthur Petri, Fraternal Order of Pilgrims, vice-president; Lillian Eicholz, Western Bohemian, secretary, and Fern Chmielewski, Degree of Honor Protective, treasurer.

Maccabees Designates 2 Trustees, 6 Officers As Vice-Presidents

Maccabees has designated two of its trustees and six of its officers as vice-presidents. The trustees named vice-presidents are Walter Macklin, Montreal, provincial manager for Quebec, and George Shelley, New York City, director of the eastern division. Officers designated as vice-presidents are Robert E. Morris, actuary; David A. Hersh, general counsel; Hubert R. John, medical director; Earl K. Akey, investment manager; Robert O. Shepherd, field director, and Howard C. Hansen, assistant secretary-treasurer. The additional title does not change the duties of these men but was made to represent better the officials of the society in its relationship to other fraternal societies and commercial companies in the insurance industry.

Maccabees is putting into effect a program of automation in billing and office procedures, and Mr. Hansen is in charge of this operation.

Lutheran Brotherhood Sets New Sales Record

Lutheran Brotherhood's life sales during the first five months of 1957 amounted to \$60,781,074, a gain of 31.6% over the first five months of 1956 and a record for any corresponding period in the fraternal society's history.

Bruce B. Brewer & Co., Minneapolis, recently was named advertising agency for Lutheran Brotherhood.

Form GAMC Chapter on San Francisco Peninsula

General agents and managers of agencies located on the fast-growing San Francisco Peninsula area, have established a Peninsula chapter of General Agents and Managers Conference. Most of the agencies in that area are district branches of the main metropolitan or northern California agencies located in San Francisco and Oakland.

Officers of the new chapter—most of the members of which are also members of San Francisco General Agents & Managers Assn.—are Maxwell J. Patterson, Prudential, president; A. A. Roewe, Metropolitan, vice-president; Charles B. Shirk, State Life of Indiana, treasurer, and Chester Banachowski, Guarantee Mutual, secretary.

Directors elected are: Frank DeVore, Occidental of California; Cameron H. Hurst, New York Life; Robert A. Shriner, American National, and Dene W. Zahn, Franklin Life.

Canada Life Insurance Institute Elects Dalgliesh New President

L. M. Dalgliesh, secretary of London Life, was elected president of Life Insurance Institute of Canada at its annual meeting in Toronto.

Other officers are R. O. A. Hunter, secretary of Great-West Life, 1st vice-president; D. A. Roberts, comptroller of Mutual Life of Canada, 2nd vice-president, and Miss Jessie Thomson, Manufacturers Life, secretary.

Publish Manual of Insurance Facts

Standard Analytical Service of St. Louis has published its 1957 edition of *An Independent Analysis of Legal Reserve Life Insurance Facts*. One section of the manual gives current statistics on 130 leading companies. Another section contains an informal discussion of actuarial topics. The third and final section features programming tables with instructions on how to use them.



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We offer a hard-hitting, sales producing program, from "mail to sale". Everything furnished to you without charge.

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Met Report Sees Heart and Cancer Dominating U. S. Mortality Scene

As a result of the control gained over the acute infectious diseases, the mortality picture in this country now is dominated by the diseases of the heart, circulatory system, kidneys and cancer, according to a report presented to Society of Actuaries at its western spring meeting in St. Louis by E. A. Lew, actuary and statistician, and Mortimer Spiegelman, associate statistician of Metropolitan Life.

The report is based on the experience of the millions of Metropolitan industrial policyholders whose mortality is much like that of the general population in most respects.

The cardiovascular-renal diseases and cancer together accounted for almost three-fifths of the deaths among the industrial policyholders at ages 1 to 74 years in the period 1950 to 1955. For the cardiovascular-renal diseases alone, the death rates among white females declined appreciably at all ages in these five years, but for white males at ages 25-74 the mortality level has been practically stable during the postwar period. Most important among the cardiovascular-renal diseases are diseases of the heart which accounted for two-fifths of all deaths among white males at ages 1 to 74 and for more than one-third among white females and nonwhites of both sexes. Diseases of the heart outranked all other causes of death after age 25, with the sole exception of white females at ages 25 to 44, where they were second to cancer.

According to the Lew-Spiegelman report, a number of developments in therapy give promise for at least a small degree of control of some cardiovascular-renal diseases. It cited the use of sulfa drugs and antibiotics for rheumatic heart disease, operations on heart defects due to congenital and rheumatic heart disease, and new drugs in cases with severe hypertension.

Cancer is important as a cause of death at all stages of life. Among white children, adolescents and young people under 25, it ranked second only to accidents and at ages over 45 it was outranked only by diseases of the heart among both white and nonwhite persons. It led all other causes of death among white females at ages 25 to 44. There was a slight upward tendency in the cancer death rate for males from 1950 to 1955, but females experienced sizeable reductions, benefiting largely from advances in treatment of cancer of the female genital organs. The rise in male death rates reflects chiefly the increase in mortality from lung cancer.

Tuberculosis has shown a marked decline as a cause of death in recent years, the 1955 rate being one-third of the 1950 rate and less than one-seventh of the 1936-1940 rate, with the reduction more rapid for females than for males. However, tuberculosis still appears among the leading causes of death between ages 25 and 44 for all sex-age groups.

The pneumonia-influenza death rate in 1955 was 43.4% under the 1946-1950 average and further progress may be expected, according to the report. Diseases of childhood have practically disappeared as a cause of death, no deaths from scarlet fever being reported from 1953 to 1955 and fewer than 10 each from whooping cough and diphtheria. These three and measles showed a combined death rate for

1955 that was 72% under the 1946-1950 average.

Accidents outranked all other causes of death at ages under 25. They accounted for one-fourth of all deaths at ages 1 to 4, almost one-half of the white male deaths at ages 5 to 24, and one-fourth of all white female deaths at the same ages. For white persons, the death rates at ages 1 to 74 in 1955 were below the annual average for 1946 to 1950, but nonwhites experienced practically no change. Although there was a rise in the death rate from motor vehicle accidents, there was a considerable reduction in the rate based upon miles traveled. At the same time, the rate for fatal occupational accidents declined rapidly, being down one-third from 1950 for white males and one-half for nonwhite males.

With regard to the over-all trend of mortality, the death rate from all causes of death combined among the millions of industrial policyholders included in the report was 9% less in 1955 than in 1950, 20% under 1946, the first postwar year, and 39% less than the prewar average for 1936 to 1940. However, the decreases in death rates from 1950 to 1955 were rather insignificant for white males, while white females and nonwhites of each sex showed appreciable declines.

As a result of mortality reductions, the average length of life of these industrial policyholders reached 70 years in 1955, practically identical with that for the general population of the United States. This established a rise of 1 1/4 years since 1950 and a gain of 10 years in the two decades since 1935.

Hartford CLUs Elect Beck New President

Hartford CLU chapter has elected Lester F. Beck, Connecticut General and Travelers, president to succeed Charles K. Reid, senior consultant of LIAMA. Mr. Beck is past president of Connecticut CPCU chapter.

Also elected were Kimberly Cheney, Northwestern Mutual, vice-president and Ben L. Goldenberg, general agent of Columbian National, secretary. Chosen directors were Gordon L. Prior, general agent of Manufacturers Life; Frank Sheldon, Phoenix Mutual; Horace R. Smith, assistant agency vice-president of Connecticut Mutual, Mr. Beck, Mr. Reid, Mr. Cheney and Mr. Goldenberger.

Pacific Mutual Claims Men Meet at Home Office

Pacific Mutual Life's district claims representatives from all over the nation attended a two-day meeting recently at the home office. It was the first visit to the home office for many of the claims men. Highlighting the meeting was a tour of Pacific Mutual's \$2 million Univac electronic data processing system. Douglas K. Swinnerton is claims department manager for Pacific Mutual.

Mont. Insurer Names President

George W. Nilson, president of a construction company at Great Falls, Mont., has been named president of New American Life of Billings. He succeeds Dr. Harvey L. Casebeer, Butte physician, who was killed in an automobile accident near Anaconda, Mont., April 27, just a short time after he assumed the presidency of the newly organized insurer.

Colonial Employees Hold Outing

Home office employees of Colonial Life held their annual outing at the Rockaway River country club, Denville, N.J. The program included a buffet luncheon, dinner and entertainment.

Scholars Visit Midland Mutual Home Office



President C. O. Sullivan of Midland Mutual Life welcomes some members of Insurance Society of Ohio State university who toured the Midland Mutual home office on a field trip designed to provide students with practical knowledge about life insurance company operation. From left to right are: Dr. James L. Athearn, assistant professor of economics; Mr. Sullivan; Thomas B. Hagen, president of Insurance Society; and Dr. John S. Bickley, professor of insurance.

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Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

HOME OFFICE AGENCY DEPARTMENT POSITION

Expanding midwest life insurance organization, writing life and A.&H., has an opening for a qualified man for a Home Office Agency Department position. He will have Home Office duties as well as working with managers and agents in the Field in matters of training, recruiting and sales promotion.

Qualifications: He should be between ages 25 and 35, married and have a college degree. Life insurance experience required. Salary will be commensurate with ability and qualifications.

If you're interested in an Agency Department career with a growing organization, (\$400,000,000 in force), send a detailed résumé of your education and experience to Box U-93, c/o The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois. Replies will be held confidential.

AGENCY MANAGER

One of the nation's oldest and largest life insurance companies has openings in several major cities throughout the United States for men who are qualified to assume the position of Agency Manager in an established agency. We are interested in building large agencies. The requirements are:

- 1—Successful experience in agency field management;
- 2—Married, between ages 28-40;
- 3—College education (or, evidence of its equivalent in the form of CLU Training or other professional education).

The position carries with it a substantial starting salary—\$10,000 and up, depending upon qualifications. Supervisory assistance is provided at Company expense. In addition, there is an expense account and exceptional pension and group insurance benefits. All of our Field Management personnel know of this ad. For a personal interview, write, giving full particulars to Box V-3, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED— ESTABLISHED GENERAL AGENCY SALES ORGANIZATION!

Take complete charge of area sales for rapidly expanding Life and A&H Company featuring:

- Five outstanding special life policies plus regular contracts.
- Low cost Level and Reducing term.
- Group Insurance—Life and A&H.
- Guaranteed Renewable for Life as well as commercial Hospital contracts.
- Non-can A&S contracts.
- Top commissions.
- Immediate Vesting.

Act now! Openings now available in Michigan, Indiana, Minnesota, North Dakota, Montana, Nevada, Utah, and Washington.

This may be your big opportunity to round out a full productive capacity of your organization! To receive full particulars, you need only to submit your organization name, address and telephone number.

Our Vice President in charge of agencies will call you to arrange a personal interview. Reply immediately to Box U-73, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

ACTUARY WANTED

Actuary for old established Actuarial Consulting Firm in Philadelphia. Give full background, experience, salary desired and membership, if any, in Actuarial Societies. All replies confidential. Address Box U-79, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

ACTUARY

Under thirty-five years of age for well established firm located in Pennsylvania specializing in Pension and Profit Sharing Plans. Membership in Society not essential. Replies strictly confidential and our associates know of this advertisement. Apply Box U-63, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED LIFE GENERAL AGENTS

Excellent openings for experienced life underwriters of proven sales ability. This is a real opportunity for the right man to build his own agency with an established Legal Reserve Company, writing all forms of Life, A&H, and Group business. Top contracts and commissions with vested renewals and exclusive territory. Our own Agents know of this Ad, so write in confidence to Agency Director, Box U-89, c/o The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

ASSOCIATE GROUP ACTUARY \$12,000-\$14,000

The opening is here for the right man experienced in general casualty coverage, to assist our Group Actuary. Should have ingenuity, initiative, and creativeness. Associate of the Society of Actuaries preferred. Rapid promotion—merit increases. This midwestern insurance company, not in Chicago, would like to talk to you about "getting in on the ground floor" of a newly established group department. Write in confidence to Box U-85, c/o The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

A. & H. OPPORTUNITY

Here is a once in a lifetime opportunity. An expanding company has General Agency contract available for State Agency in Florida or Alabama. Must be willing to finance own development on attractive high commission contract. Highly salable line of Accident & Health, Accident, Hospitalization (Individual, Family or Franchise) plus complete line of Life Insurance. Address inquiries to Box V-2, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Insurance Trends Follow Economic Trends

(CONTINUED FROM PAGE 5)

es include reductions in premium costs, cheaper-by-the-dozen policies, term on term, the writing of insurance at the point of sale. "Contracts for kiddies," 1-year convertible term policies written at a \$3 per \$1,000 rate, are being sold widely in schools in some states. Reduced rates have cut commissions, but so far agents' earnings have not suffered. As a matter of fact, their earnings have risen in recent years.

Jumbo group is cutting into individual sales, possibly due to failure to cover the market. At the same time, labor has been calling for larger group benefits.

Company action is needed to remedy the jumbo group situation. Mr. Engelsman predicted that next year the history of group will be reviewed in an effort to solve the problem. Some arrangement probably will be made for payment of commissions for servicing group cases.

Underwriting is improving to the point where people who have had serious ailments now can be insured. People are living longer, thus increasing the old-age problem.

Turning to trends in selling, Mr. Engelsman pointed out that the monthly premium concept is here. Premiums will be quoted by the

month, which is the way America lives. Payroll allotment plans can be written cheaply and are gaining in popularity.

Companies will write naked "policies," which are contracts lacking options. This will be done to correct mistakes made in some small programming cases. "In our great desire to be professional, we often have gummed up the works," he asserted.

The day of the multiple line companies is upon us. Life companies are buying and forming fire and casualty companies, while fire and casualty insurers are moving into the life field. This has not hurt life agents yet. And if a broker is able to sell all lines, so can a life agent.

A marriage of the general agency and managerial systems, can be expected. This will give companies more control over their agencies, Mr. Engelsman said.

Other officers elected with Mr. Sullivan were Charles Anchell, New York Life, administrative vice-president; Charles N. Barton, general agent of Union Central, educational vice-president; Harry Phillips III, Penn Mutual, membership vice-president; Stanley R. Wayne, general agent of Mutual Benefit Life, public relations vice-president, and Clarence Oshin, manager of Home Life, treasurer.

Elected to the board were Robert J. Bee Jr., Travelers; Bernard S. Bergen, general agent of Mutual Trust Life; Arthur H. Bikoff, general agent of Aetna Life; Anthony J. DeMaio, assistant manager of John Hancock; Bernard A. Haas, general agent of Manhattan Life; Joseph P. LoTruglio, supervisor of Union Mutual; Harry Pincus Jr., Massachusetts Mutual, and Frederick M. Sohr, Metropolitan Life.

Mr. Coyle welcomed Mr. Sullivan as the new president and gave him a certificate and gavel.

Noting that maximum group life limits and the bank loan plan are "hot" topics this year, Mr. Sullivan expressed a desire for the business to correct its evils without legislation which would be regretted later.

He called upon all members to appoint themselves to the membership committee and make a real effort to enroll not only their longtime associates, but particularly the newer members of their agencies.

Mr. Coyle presented a service plaque to Raymond F. Thorne, general agent of Berkshire Life, for his work as treasurer for four years.

Mr. Coyle said he had enjoyed his term as president and had gained a greater awareness of the problems of the business.

Consolidate Staffs of Ia. Farm Bureau Insurers

DES MOINES—Iowa Farm Bureau Federation has consolidated the operating staffs of its insurance companies, Iowa Life and Iowa Farm Mutual. Dean Mitchell, who has headed the life company for four years and before that was manager of Iowa Farm Mutual, is general manager of both companies. Vernon Ahlen, manager of Iowa Farm Mutual, has resigned.

Walter Bishop is assistant to the general manager; Wayne Smith is sales director; Harlow Staley is actuary; Wallace Bidleman is underwriting secretary, and Fred Swinton is claims manager.

HOME OFFICE UNDERWRITER

Supervisory level, Mid-West location. The organization making this announcement has over 400 million of life insurance in force. An aggressive field expansion program creates the need for the man described below. Please do not apply unless you meet the specifications listed. Our own employees have been informed that this ad is being placed. We are looking for a man capable of eventually handling a top-level assignment, including supervision of a staff of lay-underwriters. Must be aggressive, progressive-thinking young man.

QUALIFICATIONS

Male, between ages 25-35, married, college background with college level work in Actuarial or Statistical Studies helpful. Business Administration courses will help qualify. This man should have 2 to 5 years experience in Home Office Underwriting with a proven record of ability to progress. Policy issue experience helpful with supervisory experience in any line of business useful in this assignment, but will not qualify without Underwriting background.

Starting work assignments and starting salary arrangements commensurate with experience and ability. We will pay all moving costs for the right man. Send complete résumé with personal data, business experience and recent small photograph to the box listed below.

Box U-97, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

GROUP LIFE MANAGER

Group life specialist wanted by substantial young company in deep South. Licensed in Mississippi now, but soon to expand to Louisiana and Alabama. Only \$1,500,000 group life in force. Need man who can build this up to 20 million. Good salary, bonus, travel expenses, company benefits. Excellent living conditions, town of 40,000 near Gulf Coast. Give experience, present earnings, etc. Address Box U-94, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Trends

Hancock Man Proposes Group Annuity Plan

(CONTINUED FROM PAGE 2)

pany, he observed, but differences between group annuities and other lines are such as to justify "and even to require" different allocation of investment income in order to protect individual policyholders against selection on the part of group policyholders, among which Mr. Slater mentioned:

Group annuity premium income is received in large and fluctuating amounts at erratic intervals; the investment return factor plays a much larger part in determining the placing or transferring of group annuity business than other lines; group annuity contracts are transferable from insurer to trust company and back to insurer depending on the current advantage to be gained; group annuities are essentially single premium business rather than a continuing purchase.

Special funding, Mr. Slater maintained, would give to the group annuity policyholder all of the advantages of the proposed variable annuity without any of the disadvantages.

The proposal of John Hancock is that legislation be enacted allowing life companies to maintain special funds for group annuity contracts in cases for which such funding was contractually agreed upon. No special legislation would be needed authorizing variable annuities. The investment limitations on the special funds would be more liberal than those for other life funds and "perhaps might allow investments in common stocks as high as 50% to 100% of the total assets." This would achieve many of the objectives of the variable annuity without introducing the specific variable contract as such, Mr. Slater explained. In essence the variable part of the contract for those having guarantees would be accomplished through provisions for distributing surplus (especially that arising from asset gains) by means of unconventional settlement options. He mentioned, for example, that surplus could be used to decrease the employer's cost; or to increase benefits; or a combination of those two; or to offer a variable benefit geared to the cost of living.

Guarantees, if desired, he said, could still be made with respect to individual employee certificates with the provision that if investment operations produced poor results the employer would have to supply additional financing.

"This is as much guarantee as exists now with reference to some of the pension administration cases offered by life insurance companies today."

Considerable variation would be possible for individual case funds within the total special segregated funds, Mr. Slater observed. Only cases over a certain size, for example, might be individually funded, with the smaller cases pooled. On the larger cases, separate contractual agreements might provide for specific proportions of investment types within broader ranges. An over-all pattern might be applied to all cases to the extent that the variations in benefit payments introduced by surplus earnings could be restricted to the funds not yet applied at retirement, and after retirement fixed guaranteed benefits could be specified.

If the pension program required no guarantees by the life company, Mr. Slater said the fund would operate

very much like funds presently placed with a trust company under a trust agreement. Guarantees would be the responsibility of the employer, and the life company would serve in the capacity of adviser on the amount of money needed to fulfill employer guarantees and have charge of investing the funds. If the company felt the employer was funding his program inadequately it could require him to go elsewhere. In the case where guarantees by the life company are desired, the employer would deposit funds with the company along the same lines as now employed in a pension administration type of contract. The fund for large cases, if desired, would be held individually or be combined with other cases in a common pool.

There would be no difference in the operation of the fund as compared with present pension administration funding so long as the market value of the portfolio showed no marked decrease, Mr. Slater declared. When the market value of securities decreased and approached the value of the guaranteed benefits, the company would require additional funds from the employer, and if they were not forthcoming the life company would immediately vest the guaranteed benefits to the employees and make whatever sales it desired out of the special fund account to bring the diversification of assets in line with diversification on all other regular business. Thereafter the benefits on this group annuity account would be treated the same as any other contract.

Mr. Slater said the company should be able to build up reserves and nearly eliminate the need for calling on the employer for additional financing, thus obviating the argument that the employer would be called upon to put up more money at the very time he could least afford to do so.

The separate accounts for such group annuity cases would be like those of trust companies, and could well be treated as such by the Treasury Department, Mr. Slater added, which would be of great benefit to the tax status of the life companies.

He described the Hancock plan as a compromise between the group in favor of doing nothing and those advocating variable annuities. It is acceptable to banks and trust companies, he said.

The position of Metropolitan remains unchanged on the matter of segregating assets, Mr. Ellis declared. He said there are plans in existence under which benefits are guaranteed by a life company and a bank is trustee. The life companies don't have to play every instrument in the band—the banks and trust companies have a role to play.

Walling off funds, Mr. Ellis said, is a matter for concern. No other funds of the company would be available if the segregated funds needed help, or vice versa. Can a company go broke in sections? he wondered.

The idea, he suggested, might be carried to A&S and other special lines written by a life company. He recalled that the life companies strenuously opposed the bill in California 25 years ago to require segregation of funds by life companies for their A&S business, holding that the idea was wrong in principle.

Cal. Life Agents Hail Successful Legislative Year on Eve of Annual

One of the most important subjects which will come before the annual convention of California Life Underwriters Assn. in Pasadena June 21-22 will be the report of the legislative committee which has just concluded a near-perfect record at Sacramento, which the association considers successful. Bills to permit new groups for life insurance—professional associations and trade associations—were held off from passage this year, in accordance with the wishes of association members, but those in contact with legislative trends believe that life agents have a hard fight ahead in this matter and that proponents of these proposals will carry on a campaign during the interim between sessions of the legislature which meets again in 1959.

Life leaders in California believe there is a definite trend being aggressively developed by some group writing companies which they consider a "serious threat" to the American agency system.

Don Burns, executive secretary of the California association, said this indiscriminate group trend is the most important matter facing life agents.

Hancock to Build 10 Story Office in San Francisco

John Hancock has announced intentions to build a 10-story new office building at the southeast corner of California and Battery streets in San Francisco. The company has bought 13,000 square feet of ground space at this intersection to erect the modern new building which will house Hancock's western head office.

The new location is just two doors

away from the new west coast building of America Fore group. The Hancock structure will have a granite exterior "with 'lots of glass' and will go up at a cost of 'several millions,'" according to Ray Deston, western vice-president of the company. Also included in the new building will be a restaurant, other facilities, and sub-street parking and garage facilities.

May Litigate IRS Ruling on Non-Cancellable A&S

(CONTINUED FROM PAGE 1)

Internal Revenue Service regulation, and not in the code itself.

If ruling 57-229 is upheld as being generally applicable to guaranteed renewable policies not carrying a specified rate, it would not only force insurers issuing such policies to pay the substantially higher income tax rate applicable to commercial A&S policies but could be the determining factor in placing an insurer outside the life-company category. The code says that "life company" means one in which life and annuity reserves plus non-cancellable A&S reserves constitute more than half of its total reserves.

DEATHS

MEADE L. WARD, 63, manager of the Plaza district of Prudential at Kansas City for 25 years, died at his home following a heart attack. He was alone when stricken. Because of high blood pressure, Mr. Ward had been prevented from working for the past several months.

WADE H. NICHOLS, 74, retired manager of the Roseland office of Metropolitan Life in Chicago area, died.

ULLICO LEADS THE WAY

If you are a capable and conscientious producer we have a message for you!

General Agency opportunities with The Union Labor Life Insurance Company are now available in many of our key industrial cities.

The many successful insurance salesmen now holding a ULLICO General Agency contract, are especially aided by our Company's knowledge of the trade union movement and our particular opportunities in the trade union insurance market.

Definite ULLICO leads are the means through which an ambitious, alert agent with a record of sound production and service can develop a career both satisfying and profitable.

We invite your inquiry.

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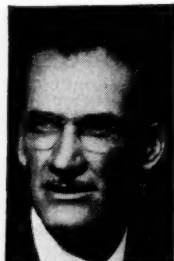
EDMUND P. TOBIN, PRESIDENT

Stewart to Retire at Pru; Name Menagh, Beal Executive V-Ps

Harold M. Stewart, executive vice-president of Prudential for 10 years,



O. E. Beal



H. M. Stewart

will retire Aug. 1 in accordance with the company's retirement plan.

Louis R. Menagh Jr., vice-president and comptroller, and Orville E. Beal, vice-president in charge of the Minneapolis home office, have been designated executive vice-presidents.

William Chodoroff, 2nd vice-president and associate comptroller, was elected vice-president and comptroller, replacing Mr. Menagh as head of the comptroller's department. Alexander Query, associate general counsel in the law department, was elected vice-

president and will replace Mr. Beal at Minneapolis.

Mr. Stewart, who leaves Prudential after 36 years, was elected vice-president in 1944 and headed the district agencies organization. As executive vice-president, he assisted President Carol M. Shanks in the general supervision of the field and home office organizations.

Mr. Menagh, who started his Prudential career as a summertime clerk while a college student, held various actuarial jobs until he became assistant comptroller and, in 1947, vice-president and comptroller. He is a fellow of Society of Actuaries.

Before Mr. Beal left Newark, to which he now returns, he was in charge of the district agencies department and later directed public relations and advertising activities. He started with the company as a clerk 30 years ago.

Mr. Chodoroff, a fellow of Society of Actuaries, served in the actuarial department before his appointment as associate comptroller in 1948 and his election as 2nd vice-president the following year.

Mr. Query joined the company as an attorney in 1936 and has held various legal posts primarily concerned with relations with state insurance departments and government authorities in Canada. He was appointed associate general counsel in 1948.

LUTC Names Schriver Administrative Aide

Merritt L. Schriver has been appointed administrative assistant of Life Underwriter Training Council with primary responsibility for promotion and public relations.

Mr. Schriver, son of Lester O. Schriver, managing director of National Assn. of Life Underwriters, entered the business with New York Life at Peoria in 1955 and was advanced to agency organizer a year later. Prior to entering life insurance, he spent eight years in industry in various supervisory capacities.

Ursel C. Narver has been elected president of Grange Mutual Life of Nampa, Ida. Formerly first vice-president, Mr. Narver takes the place vacated by E. T. Taylor who has been named chairman.

Fluegelman to Stay on NALU Group Committee

(CONTINUED FROM PAGE 1)
Mr. Nussbaum's urging that he continue.

Mr. Fluegelman, a former president of NALU, tendered his resignation partly on the ground that due to the position taken by group-writing companies, "it is obvious to me that the group committee has ceased to fulfill its function and there is apparently no reason for its further existence."

Mr. Nussbaum replied in part: "I will not accept your resignation. Rather, I ask you and the other members of your committee to double your efforts and to rededicate yourselves to stamping out the practice which is not in the best interests of either the public we serve or the economy of our country. While we do not like to resort to legislation in order to accomplish our objective, there seems to be no other choice."

"I shall recommend to the committee that they meet as soon as convenient and decide whether they should seek extra-territorial state legislation or whether they wish to seek federal legislation. The battle is not lost, as long as we keep fighting for an honest principle."

LEADERS CLUB MEETS

Group Ceiling Seems Doomed to Failure, Guardian Agents Told

Group ceilings appear to be a lost cause, President John L. Cameron of Guardian Life indicated in his closing address at the company's Leaders Club meeting at Lake Placid, N. Y.

"The attempt to impose some reasonable limits on the amount of life insurance permissible under a group policy seems, I regret to say, doomed to failure," he said, in reviewing the excellent results Guardian has achieved since entering the group field early this year. "At least three key states refuse to support any such legislation. Some of the largest group-writing companies are convinced that to impose a limit will only drive the big group buyers to substitute unsupervised, self-operated plans for a properly supervised, insured plan, with no increase in the market available to the field forces, but a definite loss to the insurance business."

"I am sure we can all agree this is



J. L. Cameron

no reason for us not to have entered the group field. Most group coverage—certainly most of what we are aiming to write—is not for large amounts. Most group policyholders are preferred prospects for individual coverage, and Guardian group policyholders will be preferred Guardian policyholders."

Referring to the "continuous encroachment of social security" on the agent's market, Mr. Cameron said that we must "whenever possible, spike the idea that social security benefits are like insurance—a right, bought and paid-for. They have become a 'right,' but the thing that made the system attractive is that so little has to be paid to secure a 'right' worth so much. When people have to pay what the benefits really cost, constant tampering with the benefits may not be so popular."

He commented also on "the resurgence of price competition in this business which is essentially a service, and in essence, a professional service. Again we have to face the fact that it exists, and we must keep you in a position to meet it. We like to emphasize service—your service—the services available under our modern policies. This is basic. Price competition should be secondary, but if it does arise, we want you to be able to handle that too."

There was an enthusiastic response to Mr. Cameron's announcement that Guardian is bringing out a pre-authorized check plan for premium payments, to be known as the "Guard-o-matic" plan. Monthly payments will be one-sixth of semi-annual.

FTC Jurisdiction Denied in Nat'l Casualty Case

(CONTINUED FROM PAGE 1)

appellate court where last week's jurisdictional decision set aside the FTC ruling and, in effect, upheld the original, limited-jurisdiction ruling of the FTC examiner.

The Cincinnati court referred frequently to the McCarran act as authority for denying FTC unlimited jurisdiction in the National Casualty case.

Judge Miller in his opinion said in part:

"The wording of the act (McCarran act of 1945) clearly indicates that, regardless of the ruling in the South-Eastern Underwriters Assn. case (1944), Congress did not intend to take from the states the regulation of insurance within the state. Section 1 declares that 'the continued regulation . . . by the several states of the business of insurance is in the public interest, . . .'. Section 2 states, 'The business of insurance . . . shall be subject to the laws of the several states which relate to the regulation of taxation of such business.' The real question is, to what extent, if any, did Congress provide for federal regulation in addition to state regulation."

"The act is equally clear, by the express wording of section 3, that until Jan. 1, 1948 (subsequently extended by amendment to June 30, 1948), the business of insurance is not subject to the Federal Trade Commission act or certain other federal regulatory acts. After Jan. 1, 1948, according to section 2 of the act, the Federal Trade Commission act and the Sherman and Clayton acts were made 'applicable to the business of insurance to the extent that such business is not regulated by state law.' That is the only expressed grant of power to the Federal Trade Commission over the business of insurance contained in the act. It is a grant

expressly limited by its terms to insurance business which 'is not regulated by state law.' We do not find in those words the 'clear and specific grant of jurisdiction' to the Federal Trade Commission which the commission claims is given to it by the act. On the contrary, we find a logical and reasonable conclusion from the two sections to be that jurisdiction over the business of insurance was granted to the Federal Trade Commission after Jan. 1, 1948, only where the business was not regulated by state law."

"There is some merit in the commission's contention that since the (Supreme Court) decision in the South-Eastern Underwriters Assn. case there is a field of interstate insurance, outside the jurisdiction of the state which should be subject to federal regulation. But it does not follow that it was the purpose of the McCarran act to accomplish such results, desirable though it might be. Congress realized that by reason of the Supreme Court decision (South-Eastern Underwriters Case) federal jurisdiction existed over the interstate business of insurance. The enactment of the McCarran act was to correct that situation. It expressly prohibited the exercise of such jurisdiction for a period of approximately three years. After that period it made a restrictive grant of jurisdiction. In order to sustain the contention of the commission, we must imply a broader grant of jurisdiction to the commission after the three-year period than is contained in the express words of the act. We do not believe that Congress would leave to implication such an important segment of the over-all question of jurisdiction which it was dealing with, when it could easily have been provided by express words."

Meany Asks Law Covering Company-Run Employee Welfare Plans

Labor will support pension and welfare fund legislation if it requires strict registration, reporting and disclosure to the federal government by management-controlled funds, President George Meany of AFL-CIO told the Senate labor and public welfare subcommittee headed by Sen. Kennedy of Massachusetts at Washington.

The legislation should apply to all types of plans, whether administered by the employer, the union or jointly by the union and management, Mr. Meany said. The management-administered plans are equally, if not more, susceptible to abuse than the jointly run plans, he charged. AFL-CIO would oppose legislation which would exempt any type of plan from the disclosure requirements.

He said most of the abuses which have been disclosed could not have occurred or persisted if states had been more diligent in policing their jurisdiction.

Mr. Meany said the health insurance plan written by Metropolitan Life on General Electric Co. employees is an argument for disclosure legislation covering management-run plans. He said two directors of General Electric also are directors of Metropolitan. Also, General Electric did not seek competing bids for the insurance contract.

General Electric and Metropolitan Life issued statements pointing out that Philip D. Reed, chairman of G.E., and Robert W. Woodruff, the directors mentioned by Mr. Meany, both became Metropolitan directors after the health plan was initiated. Since the amount contributed by employees is fixed by union contract and the company pays the balance, no matter how large it becomes, only the company and not the employees would suffer if anything less than the best available rate were paid, G. E. said.

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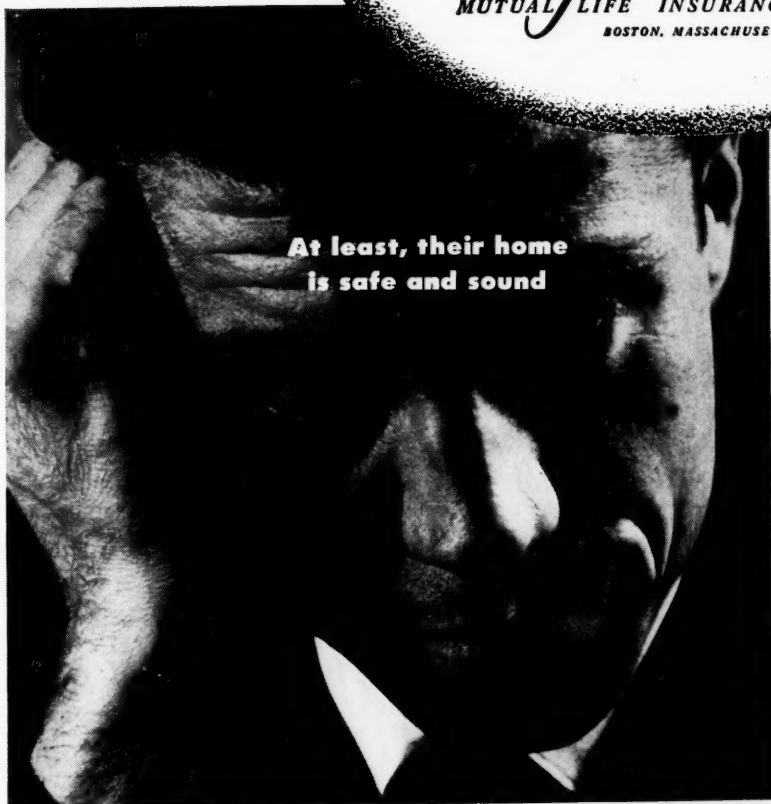
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AS REAL AS LIFE

Real-life problems are posed in John Hancock's national magazine advertising. John Hancock representatives solve these problems and safeguard the futures of more than 10 million John Hancock policy owners.

John Hancock
MUTUAL LIFE INSURANCE COMPANY
BOSTON, MASSACHUSETTS



At least, their home
is safe and sound

This man has peace of mind because his family
is secure in the home and community they love.



You want to preserve your family's home, no matter what—but without you and your income, would the mortgage threaten their security?

To meet this threat, John Hancock has a low-cost plan that furnishes cash to pay off your mortgage if

you die. If you live, it can provide cash or income for your leisure years.

For a man of 35, carrying a 20-year \$10,000 mortgage, about \$2.50 a week assures this protection. Your John Hancock representative will help you work out a Mortgage Redemption Plan to cover your home and protect your family. Mail coupon for more facts about how he can serve you.

John Hancock,
200 Berkeley St., Boston 17, Mass.

Please mail me, without obligation, your new booklet, "What You Should Know Before You Buy Life Insurance." To protect my family, I can set aside —\$2 a week; —\$5 a week; —\$10 a week; —whatever is necessary.

Name _____ Age _____
Address _____

John Hancock
MUTUAL LIFE INSURANCE COMPANY
BOSTON, MASSACHUSETTS

A John Hancock advertisement in LIFE, LOOK, READER'S DIGEST, U.S. NEWS

YCSSIYO!

No It Isn't Russian . . . nor Yugoslav . . . nor Czech. It stands for Minnesota Mutual's concept of how to succeed in the life insurance business . . . "You Can't Sell Sitting In Your Office!"

Here At Minnesota Mutual we haven't been sitting in our office! Minnesota Mutual agency people spend most of their time on the street, with the Field, demonstrating before prospects that Minnesota Mutual tools *really work!* Getting out ourselves and proving it is the final . . . *and vital . . .* step in our concept of successful life insurance selling.

We Believe . . . first . . . in thoroughly organized sales methods. *Second . . .* tested and proven presentations aimed at selling life insurance to fit specific needs. *Third . . .* dramatic, convincing visual aids that trigger every presentation. Our Success Bond Story, Mortgage Cancellation Plan and unique Business Insurance Proposal are typical examples. Originated by Minnesota Mutual and improved constantly over the years, they have no peers in the industry.

Career underwriters who sell for Minnesota Mutual Life haven't been sitting in their offices either! They've used these tools to give us 1½ billions of insurance in force. They're the men whose guiding light is the "Star of the North." They're the men who are building a successful career with . . .



The Agent-Minded

**MINNESOTA
MUTUAL
LIFE**

Insurance Company

VICTORY SQUARE—ST. PAUL, MINNESOTA